

DAILY REPORT

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BANK OFFICIALS CLARIFY REVALUATION OF DOLLAR

OW130309Y Taipei CNA in English 0238 GMT 13 Jul 78 OW

[Text] Taipei, 13 Jul (CNA)--A consensus reached at a discussion held by banking officials and monetary experts Wednesday suggested that the new exchange rate of 36 NT dollars to 1 U.S. dollar should not be called a "floating rate," but "an adjustable fixed rate" even though it remains pegged to the U.S. dollar. The discussion was intended to clarify confusion caused by the revaluation of the new Taiwan dollar.

A Central Bank of China official said that prior to the revision of the existing foreign exchange regulation, any adjustment of the exchange rate must be determined jointly by the Central Bank and the Ministry of Finance, and the joint decision must be referred to the Executive Yuan for approval.

The adjustability or flexibility remains to be fixed in nature, but subject to change at any time by the government, the official said.

An earlier announcement made by the Ministry of Finance indicated that the new Taiwan dollar would no longer be pegged to the U.S. currency and its rate would be determined by the supply and demand of the monetary market.

However, this may be not workable as the exchange rate of one currency would hardly be fixed from among a number of foreign currencies, the official said.

Officials from the Central Bank and the Finance Ministry expressed hope that a foreign exchange market permitting free sale and purchase of foreign currencies would be established here. However, even if there is a foreign exchange market available, its operation would remain under the rigid control of the government, and when the situation justifies, the Central Bank of China would step in at any time, a monetary expert said.

GOVERNMENT SIGNS PACT WITH PHILIPPINES ON LAYING UNDERSEA CABLE

OW131439Y Taipei CNA in English 1419 GMT 13 Jul 78 OW

[Text] Taipei, 13 Jul (CNA)--The Republic of China and the Philippines signed an agreement Thursday in Taipei calling for joint laying of an undersea cable line between the two countries.

The cable, 900 kilometers in length, will link northern Taiwan with Luzon. Construction is expected to be completed in 2 years. Carrying a price tag of 20 million U.S. dollars, the cable will have a capacity of 480 telephone lines.

The Chinese Government Radio Administration and the Oriental Telecommunication Co of the Philippines will take charge of the operation and administration of the cable line upon completion.

A spokesman for the directorate general of telecommunications said that in addition to being used for telecommunications between Taiwan and the Philippines, the cable will be extended to Hong Kong and other Southeast Asian regions.

Chiang Ting-chang, president of the International Telecommunication Development Co Ltd, Mr J. Africa, representative of the Oriental Telecommunication Co of the Philippines, and George Warwick, representative of Cable and Wireless of Britain, signed the agreement.

SOVIET AMBASSADOR POLYANSKIY DEPARTS FOR MOSCOW

OW140535Y Tokyo KYODO in English 0530 GMT 14 Jul 78 OW

[Text] Tokyo, 14 Jul (KYODO)--Soviet Ambassador Dmitriy Stepanovich Polyanskiy left Tokyo for Moscow Friday afternoon [14 July] for consultations with his home government.

Foreign Ministry sources believe the ambassador is returning home to discuss with home government officials the situation in Japan centered on the negotiations for conclusion of a Sino-Japanese peace and friendship treaty to be resumed in Peking July 21.

Cabinet Discusses Departure

OW140821Y Tokyo KYODO in English 0338 GMT 14 Jul 78 OW

[Text] Tokyo, 14 July (KYODO)--The scheduled return home of Soviet Ambassador Dmitriy Polyanskiy was aired at Friday's [14 July] cabinet session. Seijuro Arafune, director general of the Administrative Management Agency, brought up the matter, asking if Polyanskiy's return to Moscow was connected with the proposed resumption of talks on a peace and friendship treaty between Japan and China.

Chief Cabinet Secretary Shintaro Abe replied that the Foreign Ministry has been informed that Polyanskiy is returning home on a private matter and that the ministry did not take it as a matter of importance. Abe, who is acting foreign minister, said the envoy may be taking a summer vacation at home.

Polyanskiy was scheduled to leave Tokyo for Moscow Friday. His scheduled departure provoked speculation it might be related to the reopening of the Sino-Japanese talks in Peking next Friday. The Soviet Union has expressed concern about the projected treaty.

Hisanari Yamada, director general of the Environment Agency and former ambassador to the Soviet Union, said it was rare for a Soviet envoy to return home for private reasons and that Polyanskiy's departure was worth watching. Shin Kanemaru, director general of the Defense Agency, said Polyanskiy might not return to Tokyo.

BREZHNEV'S SON TOURS PLANTS, FACILITIES TO MEET MINISTERS

OW130945Y Tokyo KYODO in English 0921 GMT 13 Jul 78 OW

[Text] Tokyo, 13 July (KYODO)--Soviet Vice Foreign Trade Minister Yuriy Leonidovich Brezhnev, the son of Soviet Communist Party General Secretary Leonid Brezhnev, is visiting Japan at the invitation of three Japanese trading companies.

According to Progress Trading Co (Shinten Jitsugyo), one of the Japanese firms, Brezhnev, who arrived here Tuesday [11 July], is scheduled to stay in this country until July 20 or 21. The primary objective of his visit is to have a first-hand look at Japan's transport systems, port and harbor facilities and steel mills, the trading company said. He will visit the Kimitsu works in Chiba Prefecture of Nippon Steel Corp and Niigata, Osaka, Tokyo and Yokohama ports.

The company added that he would also pay courtesy calls on government leaders, including Transport Minister Kenji Fukunaga and Toshio Komoto, minister of international trade and industry. The other two trading firms that invited Brezhnev with Progress Trading are Mitsubishi Corp and Marubeni Corp.

FAILURE TO AGREE ON TARIFFS AT GENEVA TRADE MEETING REPORTED

OW130703Y Tokyo KYODO in English 0540 GMT 13 Jul 78 OW

[Text] Geneva 12 July (KYODO)--Japan and the United States failed Wednesday [12 July] to reach agreement on tariff cuts to be promoted by the two major participants in the Tokyo round of Multinational Trade Negotiations.

Japanese External Economic Affairs Minister Nobuhiko Ushiba and Robert Strauss, U.S. President Jimmy Carter's special trade representatives, and their aides met for about 80 minutes, starting at 9 am local times (5 pm JST), in a last-ditch effort to iron out all the differences in bilateral tariff cut offers and requests within Wednesday. But the talks ended in rupture as the U.S. side expressed strong dissatisfaction with Japan's third or final tariff cut offers for industrial manufactures, including such "sensitive" items as computers and color photo films.

The two nations had been seen certain to be able to solve their differences on tariff reductions for all industrial manufactures, including the two items, at the Ushiba-Strauss conference Wednesday. At the conference, however, Strauss told Ushiba that Japan should lower its tariff lowering offers for computers and color films further to the same level as U.S. offers. The United States has offered to Japan to reduce the tariff rate on computers to 2.2 percent from 5.5 percent and that on color films to zero from 5.0 percent. Strauss was quoted as telling Ushiba that the United States cannot but amend its tariff cut offers, if Japan does not improve its offers further.

Ushiba rejected Strauss' demand, resulting in the rupture of the talks.

Following the failure of the Ushiba-Strauss meeting, the Japanese and U.S. delegation met on a working level to save the bilateral negotiations from a total collapse. But they again failed to come to terms on tariff rates on computers and color films, resulting in increasing possibility that a Japan-U.S. agreement on tariffs on industrial manufactures will also be delayed until after the seven-nation summit to be held in Bonn Sunday and Monday. The two nations had earlier agreed to delay the settlement of their differences in bilateral trade until after the Bonn summit.

Meanwhile, informed sources said there is a strong likelihood that the United States and the European Common Market will not be able to come to terms in their bilateral negotiations before Saturday, July 15, as there is a gap in their tariff cut offers and requests. July 15 was the target date set by Japan, the United States and the European Common Market for reaching a broad agreement on tariff reduction problems.

In this connection, the sources pointed out that Strauss is scheduled to leave Geneva Wednesday night and Ushiba Thursday morning.

In the meantime, Japan, the United States and the European Common Market--the "big three" in the 97-nation talks for setting trade rules for the 1980s--continued their efforts to prepare a report on the progress of the mammoth negotiations Wednesday. If everything goes well, they will be able to complete drafting the report within Thursday, the informed sources said.

Following the negotiations with Japan, Strauss criticized Japan for the failure of the talks at a news conference. Strauss said the U.S. delegation planned to continue discussions with various other delegations. But he added he has no immediate plans to meet with the Japanese delegation.

Commenting on Strauss' remarks later, Hiroshi Ohki, Japanese ambassador in charge of the Tokyo round of multinational negotiations, said the Japanese delegation was dismayed by the strong U.S. reaction. He said the Japanese delegation improved its tariff cut offers remarkably in the past week and as a result, the Japanese offers now call for tariff cuts averaging 47 percent. But, he added, the European Common Market was improved its tariff cut offers not at all while the U.S. offers are considerably limited.

AGRICULTURE MINISTER NAKAGAWA TO VISIT U.S. FOR TALKS

OW140030Y Tokyo KYODO in English 0015 GMT 14 Jul 78 OW

[Text] Tokyo, 14 Jul (KYODO)--The government is planning to dispatch Ichiro Nakagawa, minister of agriculture, forestry and fisheries, to Washington in September to conduct negotiations with the U.S. Government on the agricultural product trade problem, the biggest issue of confrontation between Japan and the United States in the current Tokyo round of Multilateral Trade Negotiations. This was revealed Thursday night [13 July] by a high government official.

At the ministerial level talks of the Tokyo round of negotiations, which came to an end in Geneva Thursday, no agreement was able to be reached on major items. The biggest unsolved item was that involving farm products, especially in respect to beef and oranges. The United States had been strongly seeking Japan to expand imports of this farm produce but no agreement was reached since Japan rejected the U.S. demand from the standpoint of protecting Japan's agricultural industry. The dispatch of Nakagawa to Washington is being planned to seek a political settlement on the dispute from a broad standpoint.

The government official said that Nakagawa, when he goes to Washington, will explain to the U.S. side that Japan already is the biggest importer of American farm produce, Japan has increased the import quota for oranges this year by three times and that the quota for beef also has been widened. He said the government plans to send a mission of the Liberal Democratic Party Diet members to the United States also to deepen contacts with U.S. congressional circles.

Comments on Visit

OW140441Y Tokyo KYODO in English 0305 GMT 14 Jul 78 OW

[Text] Tokyo, 14 Jul (KYODO)--Agriculture, Forestry and Fisheries Minister Ichiro Nakagawa Friday [14 July] indicated his readiness to visit the United States for talks with U.S. Government leaders on bilateral farm trade. He told reporters after the day's regular Cabinet session that he would visit Washington early this autumn, if necessary, to adjust views with U.S. Government leaders on the problem in connection with the Tokyo round of Multilateral Trade Negotiations. Following many past rounds of bilateral talks on the issue, Japan's External Economic Affairs Minister Nobuhiko Ushiba and U.S. special trade negotiator Robert Strauss discussed it again in Geneva as part of the ministerial level talks of the Tokyo round of negotiations which ended in the Swiss city Thursday.

But they failed to reach agreement again, giving rise to the view among government leaders that Nakagawa should visit Washington this autumn to settle the problem once and for all. Government sources said Nakagawa's Washington visit is expected to be formally decided by the government after Ushiba returns home from the seven-national summit in Bonn. Indications are that Nakagawa would visit the U.S. capital before the holding of an extraordinary Diet session expected to be held in the autumn, the sources said. If the visit materializes, according to the sources, Nakagawa hopes to exchange views with Washington leaders on not only problems directly involved in the Tokyo round negotiations, but also such matters as a Japan-United States long-term food supply agreement and present conditions of agriculture in Japan and the United States.

After the U.S. visit, the sources said, he may also visit Canada and European nations for talks with government officials and other persons concerned on agricultural problems.

GOVERNMENT TO HOLD WORKING-LEVEL TALKS WITH PRC ON TREATY

OW140037Y Tokyo KYODO in English 0019 GMT 14 Jul 78 OW

[Text] Tokyo, 14 Jul (KYODO)--The government will decide whether to have Foreign Minister Sunao Sonoda visit Peking for settlement of the Japan-China peace treaty negotiations on the basis of working-level negotiations to be held from July 21, a government source disclosed Thursday. Yosuke Nakae, director general of the Asian Affairs Bureau, and other Foreign Ministry officials will leave for Peking on July 19 to prepare for the negotiations starting two days later between Ambassador to China Shoji Sato and Chinese Vice Foreign Minister Han Nien-lung.

According to the source, the government will order Nakae home if a settlement appears in prospect and Prime Minister Takeo Fukuda will make a final decision on a trip to Peking by the foreign minister after hearing Nakae's report. The source said the government decided on these procedures at a conference Wednesday among Fukuda, Sonoda, Vice Foreign Minister Keisuke Arita and Nakae. He emphasized that the government wants the foreign minister to visit China at the earliest possible date.

The Foreign Ministry expects the working-level negotiations will be settled in a short time because the Japanese side will not touch upon the details of the anti-hegemony clause, the most controversial issue. It plans to settle this issue in political-level negotiations to be held by Foreign Minister Sonoda with the Chinese side.

AUSTRALIAN STATE PRIME MINISTER SEEKS PROJECT LOANS

OW120135Y Tokyo KYODO in English 00028 GMT 12 Jul 78 OW

[Text] Tokyo, 11 Jul (KYODO)--Prime Minister James Hamer of the State of Victoria in Australia said Tuesday his state is asking Japan for loans to its power generations and other projects, in addition to increased trade and investments. Hamer told a news conference that the Australian economy is expected to grow at an annual rate of 4-5 percent from now, having recovered from inflation, but needs loans from abroad because of its unfavorable international finances.

As a project needing foreign aid, Hamer cited his state's 10-year project to increase its power generation capacity by 4,000 megawatts. Of the project cost of 1,500 million Australian dollars, his state requires loans of 900 million dollars from abroad, he said. Hamer also urged increased Japanese investments in his state and expanded trade with Japan, mentioning Australia's relaxed guidelines for foreign investments and abundant supplies of farm produce and energy resources.

Australia also requires Japanese technology in developing three recently found fishing grounds in its offshore waters, Hamer said. He expressed hope to increase exports of fresh and canned fruit, wine and cheese, saying his state would be able to supply fresh fruit in Japan's off-seasons because of its location in the southern hemisphere. The recent Japanese authorization of cherry imports from California was encouraged him regarding plant quarantine problems, Hamer said. He also said Australia is in a good position to supply energy to Japan in times of energy shortages, adding Victorian brown coals will be tested in a pilot coal liquefaction plant in Omuta, Kyushu, of Mitsui Mining Co.

NODONG SINMUN EDITORIAL PRAISES KIM IL-SONG AS 'GENIUS'

SK131744Y Pyongyang KCNA in English 1558 GMT 13 Jul

[Text] Pyongyang, 13 Jul (KCNA)--NODONG SINMUN July 12 carried an editorial article headlined "The Great Leader Comrade Kim Il-song Is the Genius of Revolution Who Nursed the Strong Historic Root of Our People's Government."

The article says: Our peoples government has creditably fulfilled and is fulfilling its duty, role and mission without the slightest vacillation and deviation because it is a government which has grown from the deep and strong historic root nursed by the great leader Comrade Kim Il-song.

Already in the first days of his revolutionary activities he, basing himself on the immortal chuche idea, profoundly elucidated that the question of power is the basic one of revolution. With a scientific penetration into the law of the revolutionary development and the urgent demand of the time, he advanced a unique idea that the question of power in which the independence of the working people finds a concentric expression is a basic one in the revolution and all the revolutionary struggles should be subordinated to the solution of this basic problem.

By expounding this original idea, he became the first to clarify the position of the question of power in revolution. Stressing that he propounded and brilliantly embodied the idea and line on the peoples government, a new type of government, in the flames of the anti-Japanese revolutionary struggle and established the revolutionary traditions, the strong historic root of the government of our republic and immovable cornerstone for the building of power.

The article says: In his classic work "Road of the Korean Revolution" published at the Chialun meeting he defined the anti-imperialist, anti-feudal character of the Korean revolution and its duty and clarified an idea that the government to be established in our country should be a people's government defending the interests of the workers, peasants and other broad masses of the people, and perfected and formulated it in the line of the people's revolutionary government and in the classic works "The Ten-Point Programme of the Association for the Restoration of the Fatherland" and "The Tasks of Korean Communists," thereby elucidating the revolutionary programme of the people's government.

The great leader Comrade Kim Il-song has taught: "In the days of the anti-Japanese revolutionary struggle we laid down, on the basis of a scientific analysis of the tasks of our revolution and the social-class relations in our country, the chuche-oriented line of building the government--to establish the people's government based on the worker-peasant alliance led by the working class and resting on the united front of the broad popular masses." He, not wedded to any existing formula or experiences, advanced the unique line of the people's revolutionary government most suitable to the changed conditions of the time and mature demand of our revolution and brightly indicated the way to establish people's democratic government.

The line of establishing the people's government based on the worker-peasant alliance led by the working class and relying on a united front of broad revolutionary forces is the most scientific line of building a government, the line that points to the way to build the revolutionary government of the working class in conformity with the new conditions of the time different from all the preceding historical periods.

By advancing the line of the people's revolutionary government, the great leader Comrade Kim Il-song expounded a completely new form of power most suitable to the demand of the time and the changed historic conditions. Thus, the people came to have an invincible weapon of struggle for national and class liberation and a new turn was marked in the development of the theory on the building of power. Indeed, this is another historic exploit performed by him in developing modern history with his profound revolutionary theory and great revolutionary practice.

The article says that he accumulated precious experiences in the building of the people's government in the course of wisely leading the struggle for carrying through the line of the building of the people's government.

The article goes on: He gained priceless experiences in seizing power by revolutionary violence through an organized armed struggle of the standing revolutionary forces. He accumulated a wealth of precious experiences which serve as a guideline in the building of the revolutionary government and in its work--the experiences in leading the people who took power to fulfill the task of the anti-imperialist, anti-feudal democratic revolution and steadily develop the revolution and construction, exercising dictatorship over the class enemies and democracy for the masses of the working people, embodying the chuche idea to maintain the principle of independence in politics, self-reliance in economy and self-defence in guarding the power, and establishing the revolutionary work method and popular style of work strictly based on the revolutionary mass viewpoint among the functionaries of the people's revolutionary government.

He created the most valuable revolutionary wealth of experiences in carrying out the cause of building the power of the working class, included in them are experiences in working out a line and policy in conformity with the demand of the Korean revolution and the specific conditions of our country with his firm faith even in difficult conditions, and experiences in guaranteeing the people's lives with our own efforts by fully displaying the revolutionary spirit of self-reliance and defending the revolutionary government with our own strength by establishing the all-people defence system and the system of fortifying the guerrilla base.

The great leader Comrade Kim Il-song laid the solid foundation of our people's government by rearing many revolutionary nuclei in the flames of the anti-Japanese revolutionary struggle. This is another brilliant exploit performed by him for the country and people. His unique idea of building the people's government, his experience in setting up the people's revolutionary government in the guerrilla base and consolidating and developing it and the reliable revolutionary hardcores for the building of the people's government reared by him during the anti-Japanese revolutionary struggle have become the deep and strong root and an immovable cornerstone of our people's government.

The article says: Thanks to the wise guidance of the great leader Comrade Kim Il-song and the precious historic root of our government laid during the anti-Japanese revolutionary struggle, the long-cherished desire of our people to live as proud masters of an independent and sovereign state was brilliantly realized and the first people's land rose in the colonial east.

It was thanks to this historic root that our people's government as a powerful weapon of brilliantly embodying the immortal chuche idea in all fields of state construction has creatively explored an untrodden path of history, upholding the line and policy set forth by the respected and beloved leader Comrade Kim Il-song.

The historic root of the peoples government nursed by the great leader Comrade Kim Il-sung is the source and basis of the dignity and prosperity of our country and the freedom and happiness of our people. A firm guarantee for the eternal prosperity of our country and the infinite happiness of our people lies in making the glorious revolutionary traditions shine forever.

ANNIVERSARY OF IRAQI REVOLUTION COMMEMORATED

Delegation Departs for Iraq

SK120450Y Pyongyang KCNA in English 0339 GMT 12 Jul 78 SK

[Text] Pyongyang, 12 Jul (KCNA)--A party and government delegation of our country headed by Comrade Pak Song-chol left Pyongyang by special plane on July 11 to attend the celebrations of the 20th anniversary of the July 14 Revolution and the 10th anniversary of the victory of the July 17 Revolution in Iraq.

It was seen off at the airport by Comrade Yi Chong-ok, comrade Im Chun chu, comrade Kim Yong-nam, and Cho Yong-kuk, Kim Hyong-yul and other personages concerned. Also present at the airport were Fathi Husayn al-'Ali, Iraqi ambassador; Lu Chih-hsien, Chinese ambassador; Anwar Wabbi, charge d'affaires ad interim of the Syrian Embassy; and Asad Ezdi, charge d'affaires ad interim of the Pakistani Embassy in Pyongyang.

Arrives in Baghdad

SK140428Y Pyongyang KCNA in English 0358 GMT 14 Jul 78 SK

[Text] Pyongyang, 14 Jul (KCNA)--The party and government delegation of our country headed by Comrade Pak Song-chol arrived in Baghdad by special plane on July 11 to attend the celebrations of the 20th anniversary of the July 14 revolution and the 10th anniversary of the victory of the July 17 revolution in Iraq, according to a report.

It was met at the airport by Vice-President Taha Muhi-al-din Maruf, and the minister of information, the minister of agriculture and agrarian reform, the minister of culture and art, the minister of irrigation, the minister of transport, the minister of state for external affairs and other personages concerned of Iraq. The Korean ambassador and embassy staffers, and foreign diplomatic envoys in Iraq were present at the airport.

A welcome function was held at the airport in honour of the party and government delegation of our country. After the national anthems of our country and Iraq were played, Comrade Pak Song-chol, head of the delegation, in company with the vice-president of Iraq, reviewed a guard of honour.

On its way to Iraq, the party and government delegation of our country stopped over in Urumchi, China. On the morning of July 11, it was warmly met and seen off at the airport by Wang Feng, chairman of the Sinkiang Uighur Autonomous Regional Revolutionary Committee, and other leading members of the autonomous region. On the same day the delegation stopped over in Rawalpindi, Pakistan. It was met and seen off at the airport by the Pakistani minister of water and power.

Delegation's Activities

For Baghdad TNA coverage of the visit of Vice President Pak Song-chol and his delegation to Iraq to participate in celebrations marking the 10th anniversary of the 17 July revolution, see the Iraq section of the 12 July and subsequent issues of the Middle East & North Africa DAILY REPORT.

Kim Il-song Greet's Iraqi President

SK140229Y Pyongyang KCNA in English 1554 GMT 13 Jul 78 SK

[Text] Pyongyang, 13 Jul (KCNA)--The great leader Comrade Kim Il-song sent a message to Ahmed Hassan al-Bakr, president of the Republic of Iraq, greeting the 20th anniversary of the July 14 revolution and the 10th anniversary of the victory of the July 17 revolution in Iraq. The message reads:

His Excellency Ahmed Hassan al-Bakr, president, Republic of Iraq, Baghdad

On the occasion of the 10th anniversary of the July 14 revolution and the 10th anniversary of the victory of the July 17 revolution in Iraq I extend, on behalf of the Government of the Democratic People's Republic of Korea, the Korean people and on my own, warm congratulations and fraternal greetings to Your Excellency and, through you, to the Government of the Republic of Iraq and the Iraqi people.

The victory of the revolution in Iraq was an important event which brought about a radical change in the life of the Iraqi people. After the victorious July 17 revolution, the Iraqi people, under the correct leadership of Your Excellency President, have made great progress in opposing imperialism and Zionism and firmly defending the country's sovereignty, enforcing the progressive socio-economic reforms and developing national economy and national culture.

The Korean people highly appreciate the brilliant successes recorded by the Iraqi people in creating a new life and are very pleased that the fraternal friendship and cooperation with the Iraqi people have been constantly consolidated and developed on one and the same road of anti-imperialism and independence.

I take this opportunity to sincerely wish Your Excellency and your people greater successes in the future struggle to build a new Iraq, independent and prosperous, and defend the dignity of the Arab nations.

Kim Il-song, president, Democratic People's Republic of Korea, Pyongyang, July 13, 1978.

NODONG SINMUN Commentary

SK131812Y Pyongyang KCNA in English 1608 GMT 12 Jul 78 SK

[Text] Pyongyang, 12 Jul (KCNA)--NODONG SINMUN today carries a commentator's article headlined "Brilliant Fruition of Anti-Imperialist, Independent Policy."

The article reads: The Iraqi people are striving to build a prospering independent and sovereign state, firmly maintaining an independent and revolutionary stand.

Since the proclamation of the Republic of Iraq, especially following the victory of the July 17 revolution, the Iraqi people, holding high the banner of anti-imperialism and independence under the correct guidance of their outstanding leader President Ahmad Hassan al-Bakr have made great successes in the struggle for the independent development of the country and the building of a new society.

Many were the difficulties lying ahead of the Iraqi people when they embarked upon the struggle for building a new life. The imperialists, Zionists and the domestic reactionaries in league with them disliked the Iraqi people advancing along the road of building a new life and resorted to all sorts of aggressive, interventionist and subversive manoeuvres and viciously schemed to deflect Iraq from the anti-imperialist front. No machination of the imperialists and their stooges, however, could break the fighting spirit of the Iraqi people or hold in check their onward movement.

They struggled to consolidate national independence, defend national dignity, achieve national unity and harmony and develop the national economy and national culture, while resolutely smashing the aggressive manoeuvres of the imperialists and Zionists and the machinations of the reactionaries.

The Iraqi Government and people have created favourable conditions for strengthening the economic independence of the country and developing the national economy by taking the decisive step of nationalizing factories and enterprises owned by the imperialists.

In particular, the Iraqi Government completely nationalized foreign imperialist petroleum monopolies which had been engrossed in unbridled exploitation and plunder in Iraq.

New oil fields are being exploited and oil output is on the steady rise. Iraq has become the complete master of her rich oil resources. This is of weighty significance in achieving the independent development of the country. Thanks to the just step of the Iraqi Government, the proportion of state sector is markedly growing in the Iraqi economy, new industrial branches are being created and the independence of the national economy is strengthened. A big success has been made in the "agricultural revolution" too. Iraq is following an independent road, adhering to an anti-imperialist revolutionary stand in external relations. Her people have set a splendid example in firmly defending the principle of the non-aligned movement. In order to strengthen the non-aligned movement, it is imperative for each country to defend independence. Iraq is steadfast in this respect.

She is striving for the common cause of the developing countries and supporting the struggle of the Asian, African and Latin American peoples for freedom and liberation. Her government and people are persistently struggling against the aggressive manoeuvres of the imperialists and Zionists and for the restoration of the national rights of the Palestinian people and the defence of the sovereignty and national dignity of the Arab people.

The foreign policy of Iraq conforms to the main trend of the present time. Through their struggle the Iraqi people have strengthened the national independence and sovereignty and firmly laid the material and technical foundations of the country. The Iraqi people have made a big advance in building a prospering, new society in a brief period.

The Korean people are rejoiced as over their own achievement over the fact that the Iraqi people have registered many successes in the home and foreign policies and Iraq has become an independent and revolutionary country, and express firm solidarity with the just cause of the Iraqi people. The victory of the Iraqi people in the revolution and their successes in the building of a new life inspire the people who have risen for the common cause of anti-imperialism and independence and deal a blow at the imperialists and colonialists. They also clearly bear testimony to the justness and vitality of the independent line and independent policy.

The great leader Comrade Kim Il-song has taught: "Independence is the soul of a country and its people." Only when independence is upheld is it possible to defend the genuine independence of the country and the dignity and honour of the nation from any encroachment of outside forces, achieve the country's development and prosperity and promote solidarity and cooperation between states on an equal and solid basis.

The Iraqi people, determined not to repeat the bitter life of a colonial slave, have maintained above all the revolutionary stand of valuing the country's independence and resolutely struggling against all forms of aggression, interference, subjugation and inequality and upheld an independent stand in all fields of home and foreign policies. This is the main factor of their successes. It is by no means accidental that even the Western press pointed to such stand of Iraq.

Our people are proud of advancing together with the Iraqi people on the road of anti-imperialism and independence. For the commonness of their past position and of their struggle today the two peoples are firmly united and closely supporting and cooperating with each other.

The Iraqi Government and people fully support our people's just struggle for the withdrawal of the U.S. troops from South Korea and the realisation of the independent and peaceful reunification of the country. This is an encouragement to us.

Convinced that the relations of friendship and cooperation forged between the Korean and Iraqi peoples through the anti-imperialist common struggle will continue to develop excellently in all fields, we heartily wish the Iraqi people greater successes in their struggle for building a prospering, new Iraq and defending the national dignity of the Arab people.

NODONG SINMUN: PAK CHONG-HUI 'MUST BE GOT RID OF WITHOUT DELAY'

SK131650Y Pyongyang KCNA in English 1534 GMT 13 Jul 78 SK

[Text] Pyongyang, 13 Jul (KCNA)--It is the most intolerable mockery of the nation that Pak Chong-hui the traitor seized the "presidential chair" by means of fraudulence and swindle, says NODONG SINMUN July 12 in a signed article.

The article continues: Pak Chong-hui is an arch traitor who should have been judged by the people and got rid of for his indelible crimes against the country and people. It is an unbearable insult to democracy for him to have held such an "election" farce. His seizure of "power" through this farce is an unpardonable brigandage and a vicious challenge to the will of the time and people.

The article goes on: Pak Chong-hui the puppet is a traitor to the nation who has long forfeited the right to be within our nation by his dirty career and his treacherous crimes against the nation. He wrote a letter with blood, pledging to be a loyal subject of the Japanese "emperor," and took the lead in executing the Japanese imperialists policy of aggression, suppressing revolutionaries and patriots who rose in the anti-Japanese struggle.

After the surrender of Japanese imperialism he became a running dog of U.S. imperialism. He secretly informed against a large number of patriots to have them murdered and exhibited his brutality in slaughtering people. He staged a military coup on a script written by the U.S. Central Intelligence Agency and played the role of a puppet in propping up the shaking colonial rule of U.S. imperialism.

He "legalized" the U.S. imperialist aggressor troops' occupation of South Korea by trumping up, as desired by his master, the "South Korea-U.S. Status of Forces Agreement" which his predecessors dared not conclude, and reduced the South Korean economy to a thoroughly dependent economy, a military appendage, by indiscriminately inducing U.S. monopoly capital.

When the United States demanded troop dispatch to the Vietnam war, this traitor was the first to offer a large number of puppet troops to the U.S. imperialist aggressor forces as their cannon fodder. Today, he is doggedly opposing the withdrawal of the U.S. troops, describing the sworn enemy of the nation as a "saviour" and "protector," and begging for the permanent occupation of South Korea by the U.S. imperialists, making payoffs to them.

Saying that Pak Chong-hui the traitor is faithfully serving the Japanese master, too, the article continues: He left South Korea to the tender mercy of rapacious Japanese monopoly capital by fabricating the treacherous "ROK-Japan treaty" and concluding unequal agreements one after another. He has bartered away South Korean fishing grounds and even seabed resources of the country to the Japanese reactionaries.

Pak Chong-hui is the ferocious fascist murderer and butcher of fellow countrymen. Countless are the patriots, students and democratic figures who fell under the sword of this fascist and are subjected to his brutal repression. He is a warlike servant of U.S. imperialism and a truculent, blood-thirsty war maniac.

This puppet is increasing armaments, continuously bringing in even nuclear weapons in a criminal attempt to plunge the country into a nuclear holocaust. He is crying for "two Koreas" in wanton violation of the three principles of national reunification, a common nation-saving programme.

He is human scum who permits himself any depicable act for power and personal prosperity and wealth. Exposing this criminal record of Pak Chong-hui the traitor, the article emphasizes in conclusion: This traitor, the splittist, must be got rid of without delay.

PARTY PAPER: PAK VISITS FRONT LINE 'TO BOOST WAR FEVER'

SK140339Y Pyongyang Domestic Service in Korean 0743 GMT 13 Jul 78 SK

[NODONG SINMUN 13 July commentary: "A Blatant War Row"]

[Text] Puppet Pak Chong-hui has visited South Korean puppet army units along the edge of the front line under the pretext of an inspection. According to reports, showing up at a puppet army unit on the western edge of the front line on 11 July, puppet Pak Chong-hui babbled about so-called infiltration during the summer. During visits to puppet army positions on hills and in trenches till dusk, he clamored that confrontation readiness must be consolidated, thus instigating a war of northward invasion. On that day, the puppets even arranged a party of puppet army leaders and puppet troops at the site so as to boost war fever.

In light of the situation recently created in South Korea, the puppet's visit to the front areas cannot be overlooked. It is a premeditated and deliberate maneuver to perpetuate the nation's division by further aggravating tension between the North and South and encouraging confrontation among the people. At the same time, it is a criminal maneuver to complete new war preparations desperately pursued in recent days.

Having taken over the presidency again by all kinds of fraud and trickery and running counter to the intentions of the people, puppet Pak Chong-hui first visited the front line to instigate a war of northward invasion. This fully substantiates the fact that puppet Pak Chong-hui is indeed an enormous traitor, a bellicose element, and a war servant of the imperialists, who has no desire at all for peace in Korea or for peaceful reunification.

What exists in our country today is a threat of northward invasion, not a threat of so-called invasion clamored about by the puppets, and the danger is becoming more serious.

By pursuing the aggressive war policy of the U.S. imperialists, the Pak Chong-hui clique is desperately trying to escape and frantically accelerating new war preparations. Constantly saying that they must win in the fight against us, the puppets keep clamoring about crushing the North and are completely mobilizing all South Korean human and material resources in war preparations.

While beefing up the South Korean puppet armed forces, the puppets are accelerating the modernization of the puppet armed forces by receiving numerous mass lethal weapons from their master. On the land and sea and in the sky, war exercises are staged daily. At this very moment, in the western sector of the front line, the aggressive troops of the U.S. 2nd Infantry Division and the puppet troops are carrying out new-equipment exercises, and a firing exercise is being staged on the western sea.

Madly preparing a war of northward invasion, the Pak Chong-hui puppet clique is constantly staging Student Defense Corps exercises and civil defense exercises, mobilizing numerous South Korean residents, students, and youths, and even 70-year-old men and women. Under the signboard of a defense industry, the puppets are more and more intensifying schemes to exploit the people and accelerating the militarization of the South Korean economy by introducing foreign capital and colluding with foreign defense industry monopolists.

The puppets are finalizing the plans for invasion--the ignition of the war, logistics support and the supply system--by daily holding secret talks with U.S. war leaders who sneak into South Korea. It is in these circumstances that puppet Pak Chong-hui has inspected the front areas. Needless to say, it was to accelerate war preparations. The new war maneuvers which puppet Pak Chong-hui is accelerating with the support of the U.S. imperialists are a wild violation of the three principles for fatherland reunification--the common reunification program for the North and South--and an atrocious challenge to the world's peace-loving people who consider peace in Korea and its peaceful reunification precious.

Without the elimination of the Pak Chong-hui puppet clique the heinous war maniacs, tension cannot be eased in our country; nor can peaceful reunification be achieved. As long as the puppets hold power in South Korea, our people cannot live in comfort; nor can the world be at peace. For these reasons, the Korean people and the world's peace-loving people are today sternly denouncing the treason against the nation and the people by the Pak Chong-hui puppet clique, and unanimously demand that the puppet clique step down from power.

Traitor Pak Chong-hui is seeking to survive by aggravating the situation in our country and igniting a new war in accordance with the aggressive war policy of the U.S. imperialists. This, however, is a foolish act. If the Pak Chong-hui puppet clique continues playing with fire, it will not be able to escape ruin.

FURTHER REPORT ON NODONG SINMUN DENUNCIATION OF TANK DEPLOYMENT

SK131650Y Pyongyang Domestic Service in Korean 1250 GMT 12 Jul 78 SK

[NODONG SINMUN 12 Jul article: "Military Buildup Maneuvers Carried Out Behind the Screen of Troop Withdrawal"]

[Text] The U.S. imperialist aggressors are maneuvering to attach a new-type tank battalion to the U.S. 2nd Division occupying South Korea. According to a report from Seoul, the tank battalion that the U.S. imperialists plan to deploy in South Korea will be equipped with 50 M-60A1 tanks, 89 armored personnel carriers, 40 tactical support vehicles, and about 800 pieces of communication and auxiliary equipment. To arm this tank battalion, which is said to have been formed to increase the U.S. troops' anti-tank firepower along the western front, according to an agreement between the United States and South Korea,

14 M-60A1 tanks have already arrived in South Korea. It is said that all the equipment and tanks will be dragged into South Korea within this month to activate the battalion in October, 1978.

When the voices within and without the country are demanding that the U.S. troops withdraw from South Korea as soon as possible along with all military equipment for Korea's peace and peaceful reunification, such an act of repeatedly taking arms reinforcement measured is an open act of aggression disturbing peace in Korea, and an intolerable challenge against our people and the peace-loving people of the world.

While taking measure to establish a new-type tank battalion in the U.S. 2nd Division, the imperialist aggressors are fanning war fever by conducting the new-type equipments operation exercise of the 2nd Division and the puppet army's tank units in the western front. The military training, which is said will be held repeatedly until the 2nd Division and the puppet army become familiar with operating the new equipment, is not irrelevant to the establishment of the new tank unit, and shows that it is a military measure against the northern half of the country. In other words, this military measure of the imperialists evolves from their criminal ambition to make Korea's division permanent, to infinitely maintain South Korea as their colony and military base, and, taking it as a stepping stone, to invade the northern half of the republic and other Asian countries.

We cannot acquiesce to this ominous situation. The U.S. imperialists, succumbing to strong world opinion which demands that they withdraw from South Korea, have reluctantly hung out the signboard of troop withdrawal, but in reality they are continuously dragging troops and operational equipment into South Korea, and further expediting preparations for a new war of aggression. The number of the U.S. troops occupying South Korea as of March 1978 has increased by about 900 over that at the end of 1977. The imperialists are trying to drastically increase their air force contingent in South Korea and strengthen its power by deploying 300 more of their latest planes in and around South Korea in the future. They are strengthening the combat capability of the U.S. troops occupying South Korea by continuously dragging in weapons of mass destruction including the new tanks and military equipment, and constructing new military facilities on a large scale. The U.S. imperialists' action of dragging in the new tanks and equipment in large quantity, and their haste to form a new unit armed with these, is part of such a move. As it is, the U.S. imperialists are dragging more troops into South Korea, rather than withdrawing them, and reinforcing their combat capability. The imperialists keep their ground, naval and air forces' mobile strike forces in Japan, Okinawa, Hawaii and on the U.S. mainland in an alert status so that they can be mobilized any time in case of an emergency in South Korea, and even conduct training for such an event.

A recent U.S. congressional report pointed out that the Defense Department decided to dispatch combat forces, including 9 squadrons of planes in the west Pacific, three regiments of the 3rd Marine Division and 20 to 25 warships of the 7th Fleet, to South Korea in case war breaks out. Besides, under the pretext of so-called compensatory measures, the U.S. imperialists are transferring a huge quantity of the modern weapons of mass destruction to the South Korean puppets, and thus nurturing the puppets' war potential. Now the United States is attempting to finally pass a bill for transferring \$800 million worth of military equipment to the puppets and for providing tremendous military sales credits and war reserve stockpile funds for fiscal year 1979.

At the same time, the imperialists continue to kick up military exercise rackets with the puppets against our republic. The imperialists are openly raving about using nuclear weapons against the Korean people in case of a contingency in Korea, and have drawn up [word indistinct] operation plan.

Facts show that the U.S. imperialists raised the pledge of withdrawing their troops from South Korea merely as a propaganda slogan, but are further expediting war preparations, increasing their forces behind the screen. As long as the imperialist aggressors remain in South Korea the danger of war cannot be removed from Korea, and a peaceful solution of the Korean question cannot be contemplated.

The trend of the times strongly demands that the U.S. troops withdraw from South Korea and supports our people's great cause of fatherland reunification. The U.S. imperialists should closely observe the course of history, refrain from running wild and immediately withdraw from South Korea, taking along all their troops and lethal weapons, including nuclear weapons, in accordance with their own pledge and the UN resolution. The Pak Chong-hui puppet clique should stop absurdly embarking, with the backing of the U.S. imperialists, along the road of military venture and step down from power. The Korean people will never tolerate the U.S. imperialists and their stooges' two Koreas plot and new war provocation maneuvers.

PEOPLE'S DAILY NOTES DPRK-PRC TREATY ANNIVERSARY

SK131311Y Pyongyang Domestic Service in Korean 0700 GMT 13 Jul 78 SK

[Text] On the 17th anniversary of the conclusion of the DPRK-PRC Treaty for Friendship, Cooperation and Mutual Assistance, the 11th July issue of the Chinese PEOPLE'S DAILY carried a commentary entitled: "The Chinese and Korean People Fight in unity and march forward shoulder to shoulder."

Noting that the great leader Comrade Kim Il-song made a visit to China in July 1961, leading the DPRK party and government delegation, and concluded with Premier Chou En-lai the DPRK-PRC Treaty for Friendship, Cooperation and Mutual Assistance, the paper stressed the significance of the treaty.

The paper pointed out: During the past 17-year period since the conclusion of the DPRK-PRC treaty, the revolutionary friendship and militant solidarity between the Chinese and Korean peoples have further consolidated. Our relationship is by no means inferior as an example of the relationship between fraternal parties and states, in that the two parties and states of China and Korea respect each other, treat each other with equality, support and closely cooperate with each other.

Saying the just cause of the Korean people for the independent and peaceful reunification of the fatherland is broadly supported by the world peoples, particularly by the Third World nations and peoples, the paper went on: The international prestige of the Democratic People's Republic of Korea is being ceaselessly enhanced and its role in the international community is being bolstered more and more.

Inheriting the intentions of Chairman Mao and Premier Chou, recently, Chairman Hua made a personal visit to Korea and set forth a new glorious chapter in the China-Korea friendship with President Kim Il-song.

The historic, cordial meeting between Chairman Hua and President Kim Il-song has significant and profound meaning in further developing the friendly and cooperative relations between the two parties and peoples of China and Korea, in accelerating the socialist revolution and construction cause of the two countries, and in safeguarding peace and security in Asia and the Pacific region. At the same time, this constitutes a great milestone in the history of friendship between China and Korea.

We firmly believe that the revolutionary friendship and militant solidarity between the peoples of China and Korea will be further developed under the kind consideration of Chairman Hua and President Kim Il-song.

KOREAN-SOVIET FRIENDSHIP SOCIETY HOSTS FILM SHOW

SK131143Y Pyongyang KCNA in English 1013 GMT 13 Jul 78 SK

[Text] Pyongyang, 13 Jul (KCNA)--The Central Committee of the Korean-Soviet Friendship Society arranged a film show at the Chollima House of Culture on the evening of July 12 on the occasion of the 20th anniversary of the formation of the Soviet-Korean Friendship Society.

Present on the occasion were B.K. Pimenov, charge d'affaires ad interim, and staffers of the Soviet Embassy in Pyongyang. Present there were personage concerned Chi Chang-ik and working people in the city. The attendants saw a Soviet feature film.

PYONGYANG RALLY WELCOMES FORMER ROK INTELLIGENCE OFFICER

OW111045Y Pyongyang KCNA in English 1024 GMT 11 Jul 78 OW

[Text] Pyongyang, 11 Jul (KCNA)--Working people and people's army soldiers in Pyongyang held a meeting on July 10 for warmly welcoming Major Yi Chun-kwang of the intelligence unit No 203 under the Intelligence Command of the South Korean puppet army, who came over to the northern half of our republic.

At the meeting the Order of National Flag First Class, the military title of Lieutenant Colonel of the Korean People's Army and a prize of 30,000 won were awarded to Yi Chun-kwang.

Making a welcome speech at the meeting, Wang Kyong-hak noted that Yi Chun-kwang came over to the northern half of the republic, opposing the "two Koreas" plot and new war provocation manoeuvres of the South Korean puppet clique. This was a patriotic deed for the nation and a righteous act contributing to the cause of national reunification, he stated.

Souvenirs were presented to Yi Chun-kwang at the meeting. Yi Chun-kwang in the military uniform of the Korean People's Army wearing an order of the DPRK, made a speech in reply. He extended the highest honour and deepest thanks to the great leader Marshal Kim Il-song who has given him the joy of rebirth. Exposing the anti-communist propaganda of the Pak Chong-hui puppet clique, he said: Pak Chong-hui is the enemy of the nation and the enemy of reunification. Though the puppet clique are intensifying the anti-communist propaganda among the officers and men of the "ROK Army," many low- and middle-ranking officers of the "ROK Army" deeply revere the great leader General Kim Il-song and infinitely long for the northern half led by him, Yi Chun-kwang said.

He declared: If soldiers of the "ROK Army," sons of poor workers and peasants, know that the government of the North is one for the working masses like them, they would instantly turn their guns at the Pak Chong-hui traitors. In fact, the "ROK Army" is not an army for the country and the people but an out-and-out colonial mercenary under the baton of the Yankees. Disgraceful is the sight of Pak Chong-hui who, frightened by the recent announcement of U.S. troop "withdrawal," is eagerly begging for their continued presence.

He went on: If the people in the South see the reality of the North, their idea that our nation cannot live without relying on big powers will be smashed to pieces overnight. I would like to shout to the people in the South that the society of the North is a genuine society of the people and a nest of happiness aspired after by them.

The day is sure to come when the great leader Marshal Kim Il-song will administer affairs of state splendidly for the people in the South, too, he said. He wholeheartedly wished the respected and beloved leader good health and a long life.

ROM CATHOLICS' STREET DEMONSTRATION REPORTED

SK140409Y Pyongyang KCNA in English 0335 GMT 14 Jul 78 SK

[Text] Pyongyang, 14 Jul (KCNA)--Believers in Chonju, South Korea, on July 10 held a prayer meeting and a sit-down and a street demonstration demanding the release of political prisoners and published a statement denouncing the suppression of human rights by the Pak Chong-hui puppet clique, according to a Japanese newspaper and news agency reports as quoted by KNS in Tokyo.

At eight in the evening, more than 1,500 believers gathered at the central Roman Catholic church in Chonju and had a prayer meeting for the rescue of poet Kim Chi-ha and other political prisoners. When the prayer meeting was at its height, over 20 priests started a sit-down, shouting slogans demanding the release of Kim Chi-ha and others on the roof of a building some 500 metres away from the church. At around 8 hours 30 minutes in the evening, more than 300 believers turned out in a massive street demonstration to express solidarity with the priests and encourage them in their sit-down.

Upset by the collective struggle of the believers against fascism and for democracy, the Pak Chong-hui puppet clique rushed hundreds of riot police to the scene and desperately tried to disperse the demonstration and break the fighting spirit of the believers. But the believers, burning with hatred for the enemy, did not stop fighting, they gathered at the central Roman Catholic church and sharply denounced the brutal repression by the puppet clique. They issued a statement containing the following demands: 1. Release poet Kim Chi-ha and other political prisoners; 2. Bear responsibility for walking [as received] or placing under house arrest believers and students around the "presidential" election. 3. Don't interfere in church activities. The believers staged a sit-down, loudly shouting through microphones slogans containing their demands.

LEADERS VIEW NEPALESE CULTURAL PERFORMANCE

SK140432Y Pyongyang KCNA in English 0351 GMT 14 Jul 78 SK

[Text] Pyongyang, 14 July (KCNA)--The Nepali cultural troupe gave a performance for guests of honour at the Pyongyang Grand Theatre on the evening of July 13.

Invited to see the performance were Premier Yi Chong-ok, Comrade Hwang Chang-yop, and Yi Chang-son, Yi Jong-mok, Chang Chol, Han Il-su and other personages concerned. Working people and artists in the city also saw the performance. I. P. Kafle, executive chairman of the Cultural Corporation of Nepal, who is heading the Nepali cultural troupe, was also seen. The colourful program of the Nepali cultural troupe was warmly applauded by the audience. At the end of the performance the Nepalese artists loudly shouted "Long live the great leader President Kim Il-song!", "Long live His Majesty King Birendra!" and sang in chorus with the audience "Song of General Kim Il-song." The performance took place in an atmosphere overflowing with friendly sentiments between the Korean and Nepalese peoples.

When the performance was over, leading personnel of our country stepped on to the stage and presented a basket of flowers to the Nepalese artists, congratulating them on their successful performance, and posed for a photograph with them.

Premier Receives Troupe

SK140415Y Pyongyang KCNA in English 0343 GMT 14 Jul 78 SK

[Text] Pyongyang, 14 Jul (KCNA)--Premier Yi Chong-ok on July 13 received and had a friendly conversation with the leading members of the Nepali cultural troupe headed by I. P. Kafle, executive chairman of the Cultural Corporation of Nepal, on visit to Korea. Comrade Hwang Chang-yop, Yi Chang-son, Yi Chong-mok and other personages concerned were on hand.

REPORTS OF ECONOMIC INDICATORS FOR FIRST HALF YEAR

SK140443Y Seoul HAPTONG in English 0251 GMT 14 Jul 78 SK

[Text] Seoul, 14 Jul (HAPTONG)--South Korea's industrial production went up by 6.4 percent in May this year, reflecting a rise of 24.9 percent over the like month a year earlier, according to the latest economic indicators and accomplishments made public by the Economic Planning Board today. By industry, the mining industry grew by 1.5 percent in May this year, the manufacturing industry by 6.6 percent and power generation by 6.4 percent.

The government permits for new construction projects in the first half of this year stood at 13,107,000 square meters in terms of floor space, up 73.8 percent from the figure reported in the comparable period of 1977. Of the six-month total, the government permits for housing units accounted for 7,455,000 square meters, up 77.8 percent from the like period a year before, those for commercial structures for 2,110,000 square meters, up 67.2 percent, those for industrial structures for 2,444,000 square meters, up 102.8 percent, and those for other structures for 1,098,000 square meters, up 24.5 percent.

The government's general finance account yielded a surplus of 157.5 billion won in the first half of this year as revenues reached 1,668.4 billion won against expenditures of 1,510.9 billion won. Yet the government's overall finance account sustained a deficit of 26.3 billion won during the January-June period of this year, the Economic Planning Board announced. The money supply outstanding at the end of last month amounted to 2,294.7 billion won, showing an annual expansion rate of 32.2 percent over the figure recorded as of the end of June last year. The domestic credits outstanding as of the same date stood at 7,249.7 billion won, an annual growth rate of 38.7 percent over the sum registered a year before. The savings-type deposits outstanding at the end of last month totaled 4,193.1 billion won, an increase of 724.5 billion won over the end of last year.

South Korea's merchandise exports last month came to 1,052 million dollars on an f.o.b. (free on board) basis, up 3.8 percent from a month earlier. The June value had brought the aggregate since the beginning of this year to 5,703 million dollars, which also represented a rise of 26.2 percent over the 4,517 million dollars reported during the January-June period of 1977. Export letters of credit received last month amounted to 892 million dollars, off 1.3 percent from a month before. The June figure had brought the total since the beginning of this year to 5,560 million dollars, which reflected an increase of 18.8 percent over the 4,681 million dollars registered during the first six months of 1977.

During the first half of this year, Korea's merchandise imports came to 6,533 million dollars on a CIF (cost, insurance and freight) basis, up 26 percent from the like period a year ago. Korea's imports last month alone stood at 1,277 million dollars, up 5.9 percent from a month ago.

Import licenses validated last month amounted to 1.150 million dollars, off 0.2 percent from a month before. The June sum had brought the aggregate since the beginning of this year to 6,620 million dollars, which showed a rise of 46.5 percent over the January-June period of 1977.

In the first six months of this year, South Korea's current account sustained a deficit of 268 million dollars due to a visible trade deficit of 602 million dollars despite an invisible trade surplus of 203 million dollars and a surplus of 131 million dollars in transfer transactions. During the cited period, long-term capital transactions netted a surplus of 836 million dollars, while short-term capital transactions suffered a deficit of 1,164 million dollars. As a result, Korea's overall international balance-of-payments account (including errors and omissions) sustained a deficit of 754 million dollars in the first six-month period of this year.

South Korea's foreign exchange holdings as of the end of last month reached 4,193 million dollars, up 91 million dollars from a month before. However, the sum reflected a drop of 114 million dollars from the end of last year.

Consumer prices soared by 2.8 percent last month, reflecting a rise of 10.3 percent since the beginning of this year. During the month, consumer prices for foods increased by 4.2 percent, housing costs by 0.2 percent, spending on clothing by 1.3 percent and miscellaneous expenses by 2.4 percent. However, fuel and electricity costs remained unchanged.

Wholesale prices advanced by 1.3 percent last month, representing a rise of 7.3 percent since the beginning of this year. During the month, wholesale prices for consumer goods went up by 2.2 percent, those for raw materials by 0.3 percent and those for capital goods by 0.6 percent, respectively.

VNPR SCORES STENNIS' REMARKS ON KOREA

SK111324Y Voice of the Revolutionary Party for Reunification [Clandestine] in Korean to South Korea 1100 GMT 11 Jul 78 SK

[Commentary: "Vicious Act for Permanent Forcible Occupation"]

[Text] On 9 July, during deliberation of the fiscal 1979 military appropriations bill, Chairman of the U.S. Senate Armed Services Committee Stennis clamored that it was a great mistake for the U.S. Government to completely withdraw its ground troops from South Korea. At that time, Senator Robert Dole also babbled that the United States must not cling to its plan to withdraw ground troops from South Korea without sufficient study. These are criminal, absurd remarks which reveal once again the U.S. imperialists' evil intent to perpetuate their forcible occupation of South Korea and to realize their aggressive ambition to provoke a new war.

The U.S. imperialists, who came up with "troop withdrawal" when they were pressed by world opinion, have in fact continuously pursued their maneuvers for arms reinforcement behind the curtain of "troop withdrawal." They are persistently maneuvering to nullify their troop withdrawal plan. This can be clearly proven by the recent series of moves by the U.S. war maniacs.

The U.S. imperialists have frequently clamored that there must not be a troop reduction in South Korea until peace is firmly established there, and that the U.S. Congress must work out a report justifying troop withdrawal from South Korea in advance. Now they are contending that this must be passed as a bill. That the very master continuously threatening peace on the Korean Peninsula is babbling about withdrawing troops after peace is established means that they will not leave South Korea. According to data recently released by U.S. authorities, since they began harping about "troop withdrawal" the United States has not reduced its troops; it has added 881 soldiers as of the end of March this year, compared with the end of last year. This proves that, while paying lip service only to "troop withdrawal," the United States is actually increasing its troops in South Korea.

The U.S. imperialists have babbled about their intention to reinforce their air force in South Korea by 20 percent, and on 10 July they dragged in 14 M-60A1 tanks as the first shipment of equipment for a tank battalion which will be newly established in the U.S. 2d Infantry Division in South Korea. This is nothing but a clear-cut example showing how desperate the U.S. imperialists are to (perpetuate) their occupation of South Korea and prepare for a new war of aggression. On the pretext of so-called "compensatory measures," the U.S. imperialists are turning over a great quantity of lethal weapons and operational equipment to the Pak Chong-hui clique. This stems from the same scheme. In fiscal 1979, the United States plans to provide the Pak Chong-hui clique with \$275 million in military sales credits, \$90 million for a war materiel stockpile and other \$90 million for an additional ammunition stockpile. The U.S. Congress recently approved a bill transferring the latest U.S. military aircraft, including F-4's, and TOW missiles to the Pak Chong-hui clique. On 28 June, it was announced that ammunition stockpiled on Okinawa for the U.S. Army would be supplied to the South Korean armed forces.

All the facts clearly show that the U.S. imperialists are turning the Korean Peninsula into a dangerous spot where the flames of a war of aggression could flare up at any moment. The U.S. imperialists are frantically engaged in new war provocations, perpetuating their occupation of South Korea and supporting the Pak Chong-hui clique with arms. This runs counter to the will and aspiration of the Korean people who desire peace and peaceful reunification, and is an intolerable criminal act. The United States should discard its aggressive design to perpetuate its occupation of South Korea, promptly stop its arms buildup and preparations for a war of aggression and, in accordance with the UN resolution and its own pledge, withdraw without delay from South Korea, taking along the U.S. troops and all lethal weapons including nuclear weapons.

VRPR DENOUNCES ROK-U.S. COMBINED COMMAND

SK121417Y Voice of the Revolutionary Party for Reunification [Clandestine] in Korean to South Korea 1100 GMT 12 Jul 78 SK

[Commentary: "Wicked Scheme Aimed at Perpetuating the Occupation of South Korea"]

[Text] The 11 July issue of the U.S. ARMY TIMES, quoting U.S. Defense Department sources, reported that preparatory work to establish the so-called "South Korea-U.S. Combined Command" is in full swing. According to the report, the "South Korea-U.S. Combined Command" will be located in Seoul, and the ground-breaking ceremony for the construction of the command building was held some time ago. The U.S. Imperialists and the Pak Chong-hui clique clamored early this year that the "South Korea-U.S. Combined Command" would be officially inaugurated within the coming summer.

All these facts reveal that the U.S. imperialists are scheming to perpetuate their occupation of South Korea and to intensify war maneuvers by abetting the Pak Chong-hui clique. In actuality, the U.S. imperialists are desperately seeking to maintain their military occupation of South Korea behind the curtain of "troop withdrawal," and are hellbent on pursuing military buildup. The recent ominous moves among the U.S. bellicose maniacs fully reveal their maneuvers in Korea.

The U.S. imperialists are babbling that troops in South Korea must not be reduced until peace holds root on the Korean Peninsula. On 9 July, Chairman of the U.S. Senate Armed Services Committee Stennis said that it would be a big mistake for the U.S. administration to totally withdraw U.S. ground troops from South Korea. In addition, Senator Robert Dole babbled that the United States must not implement the troop withdrawal plan without careful review of the plan. These moves by the U.S. bellicose maniacs mean that they would stay in South Korea indefinitely and further intensify their war maneuvers. As every one knows, although the U.S. imperialists are reluctantly talking about a "troop withdrawal" under the pressure of public opinion demanding that the U.S. troops be withdrawn from South Korea, in reality they are constantly introducing weapons and equipment into South Korea and are hellbent on preparations for a war.

According to a recent announcement by the U.S. authorities, since the announcement of the troop withdrawal plan the United States has not reduced the number of U.S. troops in South Korea, but as of the end of March has increased them by 881 compared with the end of last year. Furthermore, it was reported that the U.S. Air Force in South Korea will be augmented by 20 percent. On 10 July, 14 M-60A1 tanks, the first shipment of equipment for the new tank battalion to be established in the U.S. 2d Infantry Division, have arrived, and 50 more tanks, 89 armored personnel carriers, 40 tactical support vehicles and some 800 pieces of communication and auxiliary equipment will arrive within this month, thus establishing a new tank battalion in the U.S. 2d Infantry Division by October, it was learned. All these facts show how hellbent the U.S. imperialists have become in perpetuating their occupation of South Korea and preparing for a new war of invasion.

On the pretext of so-called "compensatory measures," the U.S. imperialists are turning over to the Pak Chong-hui clique modern lethal weapons in large quantities, and are leading the clique to the road of war adventure. The U.S. Congress plans to pass a bill turning over to the Pak Chong-hui clique weapons worth \$8 billion, as well as bills for furnishing tremendous amounts of foreign military sales credits and war reserve stockpile funds in fiscal year 1979.

Meanwhile, the U.S. imperialists are constantly staging war exercise commotions against the North with the Pak clique. All these facts show that the U.S. imperialists are still clinging to military buildup maneuvers to perpetuate their occupation of South Korea, and are hellbent on preparing for a new war, supporting the Pak Chong-hui clique by force of arms. All these moves run counter to the will and desires of the South Korean masses, who long for peace and peaceful reunification, and can never be tolerated.

The United States must abandon its aggressive ambition to permanently occupy South Korea, immediately stop the military buildup and war preparations and withdraw from South Korea without delay, taking along all U.S. troops and lethal weapons including nuclear weapons in accordance with the UN resolution and its own pledge. The Pak Chong-hui clique must stop its reckless acts seeking to escape through military adventures supported by the guns and swords of the U.S. imperialists, and must step down from power.

NATIONAL DAY CELEBRATIONS CONDUCTED ON 57TH ANNIVERSARY

Wreath-Laying Ceremonies

CW120555Y Ulaanbaatar MONTSAME in Russian 0529 GMT 11 Jul 78 OW

[Text] Ulaanbaatar, 10 Jul (MONTSAME)--On the occasion of the 57th anniversary of the Mongolian people's revolution, wreaths were laid today at the monument to V.I. Lenin, the tomb of D. Suhbaatar and H. Choybalsan, founders of the MPRP and the people's state, and the monument to Soviet soldiers on Dzaysan Hill by the MPRP Central Committee, the MPR People's Great Hural Presidium, MPR Council of Ministers, MPR Ministry of Defense, MPR Ministry of State Security, Committee of Veterans, Central Council of the Mongolian-Soviet Friendship Association, diplomatic missions accredited in the MPR and representatives of working people, youth, and pioneers.

The wreath-laying ceremonies were attended by comrades Y. Tsedenbal, J. Batmonh, and other party and government leaders, members of the MPR People's Great Hural Presidium, deputy chairmen of the MPR Council of Ministers, chairmen of various public organizations, as well as generals and officers of the MPR armed forces, revolution veterans, and representatives of the capital's working people, youth and pioneers.

Also present when the wreaths were laid were heads and personnel of diplomatic missions accredited in the MPR; The delegation of the Union of Soviet Societies for Friendship and Cultural Relations with Foreign Countries headed by P.S. Matveyev, secretary of the Kurgan Oblast CPSU Committee and deputy chairman of the Central Board of the Soviet-Mongolian Friendship Society, which has arrived here to take part in celebrations on the occasion of the 57th anniversary of the Mongolian people's revolution; as well as foreign guests.

During the wreath-laying a guard of honor of the Ulaanbaatar military garrison was drawn up and the Internationale and state anthems of the MPR and USSR were played.

National Day Reception

CW130435Y Ulaanbaatar MONTSAME in Russian 1907 GMT 11 Jul 78 OW

[Text] Ulaanbaatar, 11 Jul (MONTSAME)--The MPRP Central Committee, MPR People's Great Hural Presidium and MPR Council of Ministers held a reception here today on the occasion of the national holiday--the 57th anniversary of the Mongolian people's revolution.

The reception was attended by comrades Y. Tsedenbal, J. Batmonh, members and candidate members of the MPRP Central Committee Politburo, deputy chairmen of the MPR Council of Ministers, members of the MPR People's Great Hural Presidium, chiefs of MPRP Central Committee departments, heads of ministries and departments, deputies of the MPR People's Great Hural, as well as leading production workers, workers of science, culture and the arts, partisans of the 1921 people's revolution and veterans of revolutionary struggle.

The reception was also attended by M. Wilner, secretary general of the Communist Party of Israel [Rakah] Central Committee, who is visiting here at the invitation of Y. Tsedenbal, first secretary of the MPRP Central Committee and chairman of the MPR People's Great Hural Presidium; the Soviet delegation headed by P.A. Matveyev, secretary of the Kurgan Oblast CPSU Committee and deputy chairman of the Central Board of the Soviet-Mongolian Friendship Society; Janos Fazekas, deputy prime minister of the Socialist Republic of Romania Government and chairman of the Romanian part of the Romanian-Mongolian Intergovernmental Commission for Economic and Scientific-Technical Cooperation; and the Lao delegation headed by Sisana Sisan, minister of information, propaganda, culture and tourism of the Lao People's Democratic Republic and chairman of the Lao-Mongolian Friendship Association.

The reception was also attended by heads and personnel of diplomatic missions accredited in Ulaanbaatar. Comrade Y. Tsedenbal pronounced a toast at the reception.

Soviet Friendship Delegation

OW111325Y Ulaanbaatar MONTSAME in Russian 1453 GMT 10 Jul 78 OW

[Text] Ulaanbaatar, 10 Jul (MONTSAME)--Y. Tsedenbal, first secretary of the MPRP Central Committee and chairman of the MPR People's Great Hural Presidium, today received the delegation of the Union of Soviet Societies for Friendship and Cultural Relations with Foreign Countries and the Soviet-Mongolian Friendship Society headed by P.A. Matveyev, secretary of the Kurgan Oblast CPSU Committee and deputy chairman of the Central Board of the Soviet-Mongolian Friendship Society. The delegation he heads is here to take part in the celebration of the 57th anniversary of the Mongolian people's revolution at the invitation of the Executive Committee of the Federation of Mongolian Peace and Friendship Organizations and the Mongolian-Soviet Friendship Association [MSFA].

The meeting, which passed in a friendly and cordial atmosphere, was attended by D. Gombajab, candidate member of the Politburo and secretary of the MPRP Central Committee and chairman of the MSFA Central Council. Also present at the meeting was A.I. Smirnov, ambassador of the USSR to the MPR.

UNEN Editorial

OW130343Y Ulaanbaatar MONTSAME in Russian 1436 GMT 11 Jul 78 OW

[Text] Ulaanbaatar, 11 Jul (MONTSAME)--Today's UNEN published an editorial under the headline "Victorious Steps of Socialism" on the occasion of the 57th anniversary of the Mongolian people's revolution. The Mongolian people, inspired by the ideas of the Great October Socialist Revolution and under the leadership of the MPRP, brought about the victory of the 1921 people's revolution. This marked a fundamental turning point in the history of the Mongolian national liberation movement, UNEN stresses.

The paper says that as a result of the people's revolution, the feudal regime which drew support from foreign aggressors was overthrown and power was seized by the working people. Having torn itself away from the imperialist and colonialist system, Mongolia took the path of socialism and became the second socialist state in the world and the first on the Asian Continent.

The historic conquests of the Mongolian people during the past 57 years are a result of the wise policy of the MPRP and its guidance and direction. The successes of the Mongolian people were achieved because the MPRP is guided by the victorious teachings of Marxism-Leninism and is creatively realizing them in the specific conditions of the country, the editorial says.

An inviolable class alliance between the heroic working class of the country of victorious proletariat and the Mongolian arats was established during the meeting between the Mongolian revolutionaries headed by D. Suhbaatar and the great teacher of the world's working people, V.I. Lenin. The Mongolian people's revolution which triumphed in the conditions of a new era opened by Great October was an inalienable component of the world revolutionary process, UNEN stresses.

The MPR, UNEN says, changed from a livestock breeding country into an agrarian-industrial country. Another social and economic task--the establishment of a comprehensive material and technical base of socialism--presented itself.

The fraternal assistance of the great Soviet Union and other industrially developed socialist countries makes an inestimable contribution to accelerating the development of the MPR's productive forces. Friendship and cooperation with the Soviet Union served and continue to serve as a decisive factor in the historic successes and achievements of the Mongolian people.

The goals of socialist construction in the MPR dictate the peace-loving foreign policy of the MPRP and the people's state. The party and Mongolian people attach extremely great significance to the cause of peace and the peoples security to deepening the relaxation of international tensions, to universal and complete disarmament and to broadening cooperation in interstate relations, UNEN concludes.

Vietnamese Leaders Send Greeting

OW130625Y MONTSAME Ulaanbaatar in Russian 1810 GMT 12 Jul 78 OW

[From UNEN 12 July Review]

[Text] Ulaanbaatar, 12 Jul (MONTSAME)--Today's UNEN published the full text of the congratulatory telegram received by comrades Y. Tsedenbal and J. Batmonh from the Vietnamese leaders on the occasion of the Mongolian people's revolution jubilee.

Lao Delegation Arrives

OW130427Y Ulaanbaatar MONTSAME in Russian 1514 GMT 11 Jul 78 OW

[Text] Ulaanbaatar, 11 Jul (MONTSAME)--A delegation of the Lao-Mongolian Friendship Association headed by Sisana Sisan, minister of information, propaganda, culture, and tourism of the Lao People's Democratic Republic and chairman of the Lao-Mongolian Friendship Association, arrived here today at the invitation of the Executive Committee of the Federation of Mongolian Peace and Friendship Organizations and the Mongolian-Lao Friendship Association.

The delegation was met at Bayant-uhaa Airport by D. Tseden, MPR minister of forestry and woodworking industry and chairman of the Mongolian-Lao Friendship Association; J. Roodzon, deputy chief of an MPRP Central Committee Department and member of the Mongolian-Lao Friendship Association Presidium; D. Tsahilgan, deputy chairman of the Executive Committee of the Federation of Mongolian Peace and Friendship Organizations; and Y. Dorjsuren, MPR deputy minister of culture.

BATMONH, DELEGATION RETURN FROM BUCHAREST CEMA SESSION

OW070557Y Ulaanbaatar MONTSAME in Russian 0518 GMT 3 Jul 78 OW

[From UNEN 3 July Review]

[Text] Ulaanbaatar, 3 Jul (MONTSAME)--Today's UNEN reports that the MPR Government delegation headed by J. Batmonh, member of the MPRP Central Committee Politburo and chairman of the MPR Council of Ministers, that participated in the CEMA session in Bucharest has returned home.

CEMA Session Results Approved

OW130617Y Ulaanbaatar MONTSAME in Russian 1816 GMT 12 Jul 78 OW

[Text] Ulaanbaatar, 12 Jul (MONTSAME)--The MPRP Central Committee and MPR Council of Ministers adopted a resolution today on the results of the 32d session of the CEMA Council which was held in Bucharest.

The resolution says in particular that the steady widening and deepening of economic and scientific-technical cooperation and development of socialist economic integration of CEMA member countries on the basis of a comprehensive program serve as a powerful factor in accelerating socialist and communist construction and raising the material welfare and cultural level of working people in these states. Successful realization of the long term special purpose programs for cooperation developed jointly by the fraternal countries and adopted by the 32d CEMA council session, which are aimed at securing their economic requirements for energy, fuel, raw materials and agricultural and food industry products, machines and equipment up to the year 1990, will be a new step in strengthening mutual cooperation and developing socialist economic integration of the socialist community countries, the resolution notes.

Great attention is paid in the long term special purpose programs to cooperation of the CEMA member countries on accelerating the development of and raising the efficiency of the MPR's economy, the MPRP Central Committee and MPR Council of Ministers resolution says.

The resolution also says that the MPRP Central Committee and MPR Government warmly and cordially welcome the Communist Party of Vietnam, the SRV Government and all the heroic Vietnamese people in connection with the unanimous adoption by the 32d CEMA Council session of the decision admitting the SRV at its own request to membership in CEMA. The MPRP Central Committee and MPR Council of Ministers approved the activities of the MPR delegation at the 32d CEMA Council session and instructed competent organs of the MPR to adopt the necessary measures aimed at fulfilling the decisions of the 32d CEMA Council session and obligations resulting from the long term special purpose programs for cooperation.

UNEN LAUDS SRV ANNIVERSARY, ENTRY INTO CEMA, CONDEMNS PRC SLANDER

OW070607Y Ulaanbaatar MONTSAME in Russian 0525 GMT 3 Jul 78 OW

[Text] Ulaanbaatar, 3 Jul (MONTSAME)--The proclamation by the Socialist Republic of Vietnam at the first session of the National Assembly of unified Vietnam marked the triumph of 30 years of heroic struggle by the Vietnamese people. The SRV's establishment was based on the historic victory of the Vietnamese patriots who carried out a brilliant strategic advance in the spring of 1975 and smashed the Saigon regime's 1-million-strong army, which was equipped with the latest U.S. weapons, writes today's UNEN.

During the short time since the formation of unified socialist Vietnam, social transformation of an enormous scope has been carried out in the country. These successes of the victorious people are being proudly watched by all of the world's progressive forces, UNEN stresses.

However, there are forces that view the achievements of the Vietnamese people with extreme rage. The unbridled, insolent campaign against the SRV recently expanded by China is an example. The revolutionary measures being realized by socialist Vietnam are distasteful to the Chinese leaders, who do not wish to see the daily advances of socialist unified Vietnam, UNEN says.

The author of the article, which is devoted to the second anniversary of the proclamation of the SRV, stresses that the Chinese leaders' attempts to put pressure on the Vietnamese people will not achieve their aim. Genuinely fraternal assistance awaits Vietnam, and this cannot be compared with China's economic assistance and promises. The SRV has become a full and equal member of CEMA.

SOSORBARAM ATTENDS MOSCOW CULTURE MINISTERS CONFERENCE

Departure Reported

OW070505Y Ulaanbaatar MONTSAME in Russian 1437 GMT 6 Jul 78 OW

[From UNEN 6 July Review]

[Text] Ulaanbaatar, 6 Jul (MONTSAME)--Today's UNEN reports that a delegation headed by S. Sosorbaram, secretary of the MPRP Central Committee and MPR minister of culture, has departed Ulaanbaatar for Moscow to take part in the conference of ministers of culture of socialist countries.

Minister Returns

OW131035Y Ulaanbaatar MONTSAME in Russian 0520 GMT 13 Jul 78 OW

[Text] Ulaanbaatar, 12 Jul (MONTSAME)--S. Sosorbaram, secretary of the MPRP Central Committee and MPR minister of culture, who participated in the conference of ministers of culture of socialist countries in Moscow, returned home today.

ROMANIAN DELEGATION ARRIVES FOR COOPERATION TALKS

OW130423Y Ulaanbaatar MONTSAME in Russian 1854 GMT 11 Jul 78 OW

[Text] Ulaanbaatar, 11 Jul (MONTSAME)--A Romanian Government delegation headed by Janos Fazekas, member of the Political Executive Committee of the Romanian Communist Party Central Committee, deputy prime minister of the Socialist Republic of Romania Government and chairman of the Romanian contingent of the Romanian-Mongolian Intergovernmental Commission, arrived here today to take part in the work of the third session of the Mongolian-Romanian Intergovernmental Commission for Economic and Scientific-Technical Cooperation.

The delegation was met at Bayant-uhaa Airport by M. Peljee, deputy chairman of the MPR Council of Ministers and chairman of the Mongolian contingent of the Mongolian-Romanian Intergovernmental Commission for Economic and Scientific-Technical Cooperation, D. Saldan, chairman of the MPR State Committee for Foreign Economic Relations; O. Hosbayar, MPR deputy minister of foreign affairs as well as C. Mindreanu, ambassador of the Socialist Republic of Romania to the MPR and diplomatic personnel of the Romanian Embassy.

TSEDENBAL RECEIVES ISRAELI CP SECRETARY GENERAL

OW131046Y Ulaanbaatar MONTSAME in Russian 0521 GMT 13 Jul 78 OW

[Text] Ulaanbaatar, 12 Jul (MONTSAME)--Y. Tsedenbal, first secretary of the MPRP Central Committee and chairman of the MPR People's Great Hural Presidium, today received M. Wilner, secretary general of the Communist Party of Israel [Rakah] Central Committee, who is visiting the MPR at the invitation of Y. Tsedenbal, first secretary of the MPRP Central Committee and chairman of the MPR People's Great Hural Presidium.

During the meeting comrades Y. Tsedenbal and M. Wilner exchanged opinions on further developing cooperation between the MPRP and Rakah and on current international problems.

The conversation, which passed in a cordial and warm atmosphere, was attended by D. Molomjants, member of the Politburo and secretary of the MPRP Central Committee; N. Lubsanrabdan, member of the MPRP Central Committee Politburo and chairman of the Party Control Committee of the MPRP Central Committee; D. Gombojab, candidate member of the Politburo and secretary of the MPRP Central Committee; and T. Dabagsuren, chief of an MPRP Central Committee department.

IENG SARY DEPARTS BY TRAIN FOR THAILAND VISIT

BK140001Y Phnom Penh Domestic Service in Cambodian 2319 GMT 13 Jul 78 BK

[Text] Comrade Ieng Sary, deputy prime minister in charge of foreign affairs of the government of Democratic Kampuchea, and his delegation left Phnom Penh at 0700 on 13 July by a special train to pay an official friendship visit to Thailand at the invitation of the Thai Government.

Comrade Vorn Vet, deputy prime minister in charge of economic affairs of the Government of Democratic Kampuchea, and several cadres from the Foreign and Communications ministries turned out at the railway station to send off our delegation and wish it well.

Comrade Mey Prang, chairman of the Committee for Communications, accompanied Comrade Deputy Prime Minister Ieng Sary and our government delegation on the train.

EDITORIAL STRESSES DIETARY STANDARDS TO REACH RICE PRODUCTION GOALS

BK040601Y Phnom Penh Domestic Service in Cambodian 2300 GMT 3 Jul 78 BK

[Station editorials: "Let Us Concentrate on Feeding Our Manpower Well in Order To Launch the Most Vigorous Rice Planting Offensive Ever This Year"]

[Text] Last year, 1977, we succeeded in fulfilling the plan to maximize rice production set by our party and Democratic Kampuchean Government despite the fact that a large quantity of our rice in the border region was stolen or destroyed by the Vietnamese enemy. Thanks to that good harvest, we have the capital to raise and improve the living conditions of our people to a certain extent.

In general, today our collective masses have sufficient food to eat, waterproof shelters to live in, proper clothes to wear and medicines to prevent and cure diseases, thus enjoying a good livelihood. At the same time, they have been learning to increase their capacity both in the political, cultural, technical and scientific fields, grasping greater and higher knowledge. Therefore, our people are living, working, learning and relaxing in a collective manner within a sound, pure, just and equal national society and in the capacity as the masters of their country, revolution and own destiny.

Now in 1978, our KCP has set a higher target for rice production than in 1977 so that we will be able to obtain sufficient capital to vigorously and effectively finance the defense and construction of our Democratic Kampuchea.

Comparing this plan with our prevailing capacities, we see that we are to a great extent very well equipped, for in all the regions, sectors, districts and cooperatives we have a total of several hundred thousand hectares of land for single crop and double crop planting. We have a very extensive network of new field embankments and canals and we have dams and reservoirs everywhere throughout the countryside. As for the means of production, such as seeds, fertilizers, insecticides, farm tools, production techniques and experience, and manpower, we also have them ready to be used under any circumstances. More important still, we have a strong socialist collective system which is playing a fundamental role in achieving the success of this year's production plan.

In addition, this year the leading party cadres at all levels have been better selected and organized than in the previous years. This party leadership factor is to be the key factor in successfully carrying out the 1978 plan.

However, along with all of these good qualities as described above, we must also concentrate on protecting and feeding our manpower well at all times so as to vigorously and steadily push this year's rainy season rice planting offensive. In order to keep our people strong at all times, we must make every effort to strictly implement the dietary standards set by the party and make initiative in preparing new dishes, desserts and sweet cakes to feed our people at all times so as to keep them strong and healthy.

In order to make this possible, we must continue to strive ahead in planting additional food crops and vegetables everywhere without leaving a plot of land untilled. At the same time, we must also actively expand animal husbandry and tend the livestock well so as to have a sufficient stock of meat and eggs for the current rainy season rice planting phase.

Along with the efforts to feed and keep the people strong, we must also pay great attention to training and educating them in political, ideological and managerial revolutionary stands and must have them learn from past experiences in order to constantly improve their daily chores.

As for the draft power of cattle, buffalo and horses, we must also pay an equal attention to improving it, because we need this draft power to maximize production, transport goods and to take care of many other things. In order to keep our cattle and buffalo strong and healthy we must give them thorough care by feeding them well, curing them when needed and driving away mosquitoes by burning logs for some at night. At the same time, we must use common sense in working these animals so as not to hurt them. We must avoid overworking them.

Therefore, both the manpower and animal power should be protected and well fed so as not to impede or stall our rice planting movement in the current rainy season.

In sum, in 1978 we have sufficient means to cultivate the rainy season rice with total mastery. We have food, production tools and technical experience to spare. Therefore, if we can constantly keep our people and animals strong and healthy, we will certainly succeed in fulfilling this 1978 rice production plan of our party and Democratic Kampuchean Government, and even overfulfilling it. We are confident that this year we will be able to plant rice in a very big way without obstacles.

BRIEFS

PLASTIC PRODUCTS FACTORY--The "Bor 3" plastic products factory is located in the vicinity of Chak Angre. It resumed operations on 1 January 1976. It used to have only four machines, but these were destroyed by the enemy. It now has many more machines, such as two producing plastic sheets, two producing rubber hose, four producing containers, three producing bowls for latex, five producing combs and plastic items for weaving mills, five plastic grinders, two plastic smelting machines and four small machines which turn out bottle caps and medicine containers. This factory daily turns out 9,000 meters of plastic sheet, 1,500 meters of rubber hose, 100 20-liter containers, 200 15-liter containers, 250 10-liter containers, 300 8-liter containers, 500 bowls for latex, 650 drinking glasses, 10 kg of combs for weaving mills, 500 kg of plastic bags, 100 thread rollers and 200 medicine containers and bottle caps. [Phnom Penh Domestic Service in Cambodian 2300 GMT 12 Jul 78 BK]

VIETNAMESE COMMUNICATIONS, BUILDING DELEGATIONS LEAVE

BK140255Y Vientian KPL in English 0941 GMT 14 Jul 78 BK

[Text] Vientiane, 14 Jul (KPL)--A delegation of Vietnam's Ministry of Communications and Transport led by Vice Minister Nguyen Nam Hai and another Vietnamese delegation of the Ministry of Building headed by Vice Minister Vu Quy, yesterday left Vientiane for home, concluding their 3-week visits to Laos.

The Vietnamese guests were seen off at Wattai Airport by Singkapo Sikhotchounlamani, vice minister of communications, public works and transport, Vonthong Limsomphou, vice minister of industry and trade, and other officials. Ambassador Dinh Nho Liem and other officials of the Vietnamese Embassy were also at the airport.

During their stay in Laos, the two delegations held talks with Lao delegations on construction, communications and transport and other problems.

MAISOUK SAISOMPHENG RECEIVES CHINESE CONSTRUCTION DELEGATION

BK140956Y Vientiane Domestic Service in Lao 0000 GMT 14 Jul 78 BK

[Text] At the Ministry of Industry and Trade yesterday afternoon, Maisouk Saisompheng, member of the LPRP Central Committee and minister of industry and trade, received a PRC Construction Department delegation headed by (Hua Ku-kua), which is on a friendly visit to our country. PRC Ambassador Extraordinary and Plenipotentiary to Laos Hsu Huang accompanied the delegation on its courtesy call on Minister Maisouk Saisompheng.

The guests and the host conversed in a friendly atmosphere. Minister Maisouk Saisompheng, on behalf of the party, government and people of Laos, hailed the PRC delegation's visit to our country. He also expressed gratitude to the party, government and fraternal people of the PRC for their support and assistance to our Lao party, government and people both in the past period of national liberation struggle and during the present period of transformation and socialist construction in Laos. The two sides expressed the hope that the time-honored friendly relations and cooperation between the two countries would further develop with each passing day.

The PRC Construction Department delegation arrived in Vientiane in the afternoon of 11 July to pay a friendly visit to Laos and to hold discussions with our Lao specialists on the plan to begin construction of a brick factory in Oudomsai Province with PRC aid in accordance with the agreement signed by the governments of the two countries in Peking in January 1976.

GOVERNMENT DELEGATION LEAVES FOR IRAQI NATIONAL DAY FESTIVAL

BK110314Y Vientiane Domestic Service in Lao 0000 GMT 11 Jul 78 BK

[Text] At the invitation of the Government of the Republic of Iraq, our Lao Government delegation with Justice Minister Kou Souvannamethi as head and Pha Vongsai, member of the Supreme People's Council, as deputy head left Vientiane for Baghdad yesterday morning to attend the 10th national day celebrations of the Republic of Iraq.

The delegation was seen off at Wattai Airport by Sanan Souththichak, minister of communications, public works and transportation; Khamphai Boupha, vice minister of foreign affairs; Somphavan Inthavong, member of the Standing Committee of the Supreme People's Council; and many cadres attached to the Justice Ministry.

IENG SARY BEGINS VISIT, ARRIVES IN ARANYAPRATHET

BK140410Y Hong Kong AFP in English 0354 GMT 14 Jul 78 BK

[Text] Bangkok, 14 Jul (AFP)--Cambodian Deputy Premier and Foreign Minister Ieng Sary arrived today in the Thai border town of Aranyaprathet and was expected in Bangkok shortly before noon.

The Cambodian minister, accompanied by six other Cambodian Government officials was met on the Khlong Luk Bridge, which links Thailand's Aranyaprathet with Cambodia's Poipet, by Thai Foreign Minister Uppadit Pachariyangkun and army chief Soem na Nakhon.

The Cambodian delegation crossed the bridge at about 9:04 am and after inspecting a guard of honour at the Surasinhana military camp in Aranyaprathet, about 300 kilometres (187 miles) east of Bangkok, left for Bangkok at about 10:00 am. Escorted by Mr Uppadit under tight security, the delegation made the journey to Bangkok by road.

In a brief arrival statement, the delegates noted that Thai-Cambodian friendship was of long-standing. "We are happy to be in Aranyaprathet on our way to Bangkok in order to pay a friendly official visit at the invitation of the Royal Thai Government", they said. The delegates conveyed "friendly regards" from the Cambodian people to the Thai people, especially from the residents of Poipet to the residents of Aranyaprathet. They also expressed hope that Aranyaprathet would soon become "the gate of friendship between our two countries" according to the joint communique of October 1975. Aranyaprathet has been the site of a Thai-Cambodian liaison office since Thailand and Cambodia normalised diplomatic relations in October 1975.

The delegates also thanked Thai Foreign Minister Uppadit for meeting them in Aranyaprathet. Meanwhile, army chief Gen Soem na Nakhon, who is in charge of security measures during the Cambodian delegation's visit to Thailand, expressed optimism that the visit would lead to peace along the Thai-Cambodian border. Gen Soem left Aranyaprathet for Bangkok on board a helicopter.

Arrival Statement in Bangkok

BK140840Y Hong Kong AFP in English 0825 GMT 14 Jul 78 BK

[Text] Bangkok, 14 Jul (AFP)--Cambodia today reaffirmed its intention to develop relations with Thailand "despite differences in political regimes." The declaration was made in a statement released shortly after Cambodian Deputy Premier and Foreign Minister Ieng Sary arrived in Bangkok this afternoon. "There should not be any obstacle to prevent the development of friendship between the Kampuchean people and the Thai people despite the differences in political regimes of the two countries", the statement said.

Noting that it was the second time that a Cambodian Government delegation had come to Thailand since the "liberation of Phnom Penh in April 1975," the statement added "we hope that this present visit...will be another step to further increase our mutual understanding, which will be between Democratic Kampuchea and Thailand." [sentence as received]

Thailand and Cambodia normalised diplomatic relations in October 1975 through the signing of a joint communique in Bangkok by Mr Ieng Sary and the then Thai Foreign Minister Chatchai Chunhawar.

"The joint communique is a good basis for strengthening and developing the friendship between our two countries," the statement noted. With a conviction that can build up good ties of friendship between Democratic Kampuchea and Thailand on the new basis, we have always based ourselves on this joint communique in our efforts to develop the friendship between our two countries, the statement said.

Mr Ieng Sary and six other Cambodian Government officials left Phnom Penh by train for Bangkok at 6 am yesterday. The "special train" reportedly brought the seven-member delegation to the Cambodian border town of Poipet opposite Thailand's Aranyaprathet district this morning. The delegates crossed the wooden Khlong Luk Bridge linking the two border districts on foot and were met by Thai Foreign Minister Uppadit Pachariyangkun and Army Chief Gen Soem na Kakhon on their arrival in Aranyaprathet at 9:40 am today.

A brief arrival statement released on the delegates' arrival in Aranyaprathet, about 300 kilometres (187 miles) east of Bangkok, expressed hope that Aranyaprathet would become "the gate of friendship" between Thailand and Cambodia. The delegates were escorted to Bangkok by car by Thai Foreign Minister Uppadit.

The delegates arrived at Bangkok's riverside Oriental Hotel shortly behind schedule at about 1:10 pm. They were welcomed by Thai Deputy Prime Minister for Economic and Social Affairs Sunthon Hongladarom and a number of diplomats representing China, Laos, member countries of the Association of Southeast Asian Nations (ASEAN), Burma, India and Australia. Vietnamese and Soviet representatives were not seen among the crowd of well-wishers.

Mr Sary thanked the diplomats for greeting him, noting that their presence expressed "the friendship of your countries to our country". The Cambodian leader is scheduled to pay a courtesy call on and have talks with Thai Foreign Minister Uppadit later this afternoon before being honoured at a reception hosted by the Thai minister this evening. An informed source said a total of 90 security officers were stationed at the plush Oriental Hotel, which looks onto Bangkok's Chao Phraya River, during the delegation's visit. Delegates accompanying Mr Sary include Cambodian Ambassador to Laos Sam Sar, Ambassador Attached to the Foreign Ministry Thiounn Prasith, Ambassador Chan Youran, Ambassador Sim Taeng and two "assistants" identified as Han Hoeurn and Nop Phoeune.

Detailed Itinerary

BK140240Y Bangkok POST in English 14 Jul 78 pp 1, 3 BK

[Text] Prime Minister Kriangsak Chamanan will ask for the release of Thai fishing trawlers and fishermen who are being held in Cambodia when he meets Cambodian Deputy Premier and Foreign Affairs Minister Ieng Sary at his Bangkok residence on Sunday. The prime minister will also propose to the Cambodian leader that both countries tighten control over their respective forces along the common border as an attempt to prevent further border disputes. The exchange of ambassadors between the two countries is also expected to be discussed.

Ieng Sary and his eight-man party will be welcomed by Foreign Affairs Minister Dr Uppadit Pachariyangkun and C-in-C of the Royal Thai Army Gen Soem na Kakhon when they cross the heavily-guarded frontier into Aranyaprathet at 0830 today. They will be taken to the Surasihanat military camp of the Third Infantry Battalion of the Second Combined Regiment in Aranyaprathet where they will inspect a guard of honour.

The Cambodian deputy premier and his party will arrive in Bangkok by road at around 12:30 pm. They will be staying at the riverside Oriental Hotel where Deputy Prime Minister Sunthon Hongladarom and other cabinet members will greet them. The Cambodian deputy premier will pay a courtesy call on Dr Uppadit at the Foreign Affairs Ministry at 3:00 pm, during which they will hold official discussions. The foreign affairs minister will host a dinner party in honour of the Cambodian deputy premier and his party at the Foreign Affairs Ministry at 8:00 pm.

The Cambodian leader and Dr Uppadit will continue their discussion at the Foreign Affairs Ministry at 0930 on Saturday. Mr Sunthon will host a dinner party for him at Government House at 7:30 pm following an audience with his majesty the king at Chitlada Palace an hour earlier. Schedules for the Cambodian visitors were left open Sunday, but Mr Sary is expected to call on Gen Kriangsak at his Bangkok residence where the prime minister is expected to cook a luncheon for his guest.

On Monday, the Cambodian party will visit the Ancient City, the Bangkok animal food factory and Si Racha district in Chon Buri and return to Bangkok the same afternoon. They will leave Don Muang Airport by KLM for Indonesia at 8:40 pm.

Meanwhile POST staffer Wira Prathipchaikun reported from Aranyaprathet that Thai security forces had mobilised large number of troops, paramilitary policemen and ordinary police to protect Ieng Sary when he crosses the border at 8:30 this morning and travels to Bangkok in a motorcade. Informed sources in this district yesterday estimated that not less than 1,000 troops had been committed to provide security in this district up to Sa Kaeo district, about a 40-kilometre stretch considered as a sensitive area. The sources added that hundreds of security forces had been combing the jungled areas along the borderline in an effort to keep undesirable elements out of the firing range from the Khlong Luk Bridge where the historic meeting between Foreign Minister Dr Uppadit Pachariyangkun and his counterpart Mr Ieng Sary will take place today. It was reliably reported that policemen from Prachin Buri, Chachoengsao, Chon Buri and Bangkok could be posted at various strategic points along the 300-kilometre trip from this border town to the city. The Khlong Luk police station which is about 1 kilometre from the bridge was completely sealed yesterday by an order from the military authorities here. No outsiders and reporters were allowed into the area.

Ieng Sary and his delegates are expected to arrive in Poipet by train and then walk across the borderline through the Khlong Luk Bridge at about 0830. He will be greeted by Dr Uppadit, Army Commander-in-Chief General Soem na Nakhon and other high-ranking military, police and civil officials. The frontier Ieng Sary will cross this morning has been relatively peaceful in recent weeks but officials said that this year Cambodians staged more than 100 incidents along the 800-kilometre-long border including ambushes, mortar and rocket attacks, mining of roads and abductions of several hundred Thai villagers.

Residents at Aranyaprathet did not appear to be excited about the visit and some expressed scepticism about Cambodia's sincerity in wanting to normalise relations. The owner of a hotel where mortar shells from Cambodia struck 3 months ago asked police officials if they would present Ieng Sary with a bill for damage. Cambodian refugees here have been forbidden to leave their camp for 3 days to avoid possible instigation of trouble.

NATION REVIEW on Possible Talks

BK140147Y Bangkok NATION REVIEW in English 14 Jul 78 p 2 BK

[Editorial: "Talks With Sary Must Try for Definite Results"]

[Text] The long-awaited visit of Cambodian Deputy Prime Minister for Foreign Affairs Mr Ieng Sary materialises today when he is expected to arrive at Aranyaprathet. But since security for him is tight, Thai authorities have not announced how he will be brought to Bangkok, although a flight by helicopter seems to be in the cards. The Thai Government has for long been worried by the killings and abductions through incursions from the Cambodian side of the border--something which Foreign Minister Uppadit Pachariyangkun's visit to Phnom Penh did not end.

There is no correct figure of how many policemen and villagers in Prachin Buri--including women and children--have lost their lives because of raids, ambushes and landmines but the estimate is well over a hundred. In addition, several hundred villagers have been kidnaped and taken across the border, ostensibly for training and indoctrination. The Thai Government has blamed Thai communist insurgents hiding across the border for several incidents but some raids have been blamed on Khmer Rouge cadres. Right now relative quiet reigns along the border and the obvious speculation is that troops have been moved from near the Thai border to the west [as published] where it has been recently reported there was a heavy attack by the Vietnamese troops said to have numbered several thousand. Or again, the incursions might have stopped as a prelude to Mr Sary's visit in order to tone down any complaints that the Thai Government may bring about them.

There is also a danger that the talks between Mr Sary and Thai authorities may be at cross purposes. While Thailand may want to talk and get agreement about constructive measures like keeping peace along the border, exchange of diplomatic missions, trade, etc., Mr Sary and members of his delegation may wish only to dwell on the Vietnam-Cambodia conflict and try to convince the Thai leaders that it was Vietnam who was the aggressor. There is a good chance that Vietnam is the top item or the only item in Mr Sary's agenda. Last month he went to the United Nations General Assembly session debating disarmament and there as well as in Tokyo, where he briefly stopped over, his theme was about how Vietnam had attempted to overthrow the Pol Pot regime in Phnom Penh by engineering a coup.

Early on in the talks we trust the Thai authorities will make it clear to Mr Sary that Thailand has taken the stand that outstanding issues between Cambodia and Vietnam should be settled peacefully between them and there is no way this government can change its position. Then there is also the ticklish question of Cambodia's relations with ASEAN and her possible interest in the concept of the zone of peace, freedom and neutrality. We do hope that the talks are wide-ranging and come to some concrete conclusion.

MINISTER PROK LASHES U.S. OVER IMPORT TARIFF ISSUE

BK140253Y Bangkok POST in English 14 Jul 78 p 2 BK

[Text] Deputy Minister of Commerce Prok Amaranan yesterday strongly blamed the United States for trying to force Thailand to freeze or reduce its import tariffs. He stated that the U.S. demand was like "trying to extract blood from a prawn."

The Thai ambassador to the United Nations in Geneva reported that the U.S. had been informed of Thailand's intention to become a provisional member of GATT, but it insisted that Thailand make concessions by reducing tariffs or binding them on certain items of this country's import.

Thailand's intention to become a provisional member of GATT is considered as a contribution or concession to the Tokyo round of trade negotiations, Mr Prok said. "In my view, the demand is unreasonable, unrealistic, and inconsistent with the spirit of the Tokyo declaration, in which the developing countries are not expected to give reciprocity that is inconsistent with their financial and development needs," Mr Prok said.

JAPANESE FOREIGN MINISTER SONODA CABLES KRIANGSAK

BK140434Y Bangkok Domestic Service in English 0000 GMT 14 Jul 78 BK

[Text] Japanese Foreign Minister Sunao Sonoda has reported to the Japanese Government that his visit to Thailand last month was successful.

In a cable message to Prime Minister Kriangsak, Mr Sonoda said that his intensive discussions with Thai Government leaders were useful and fruitful. He added that what he learned here was very helpful for him in formulating Japan's future policy with regard to Thailand as well as the entire Southeast Asia. The Japanese foreign minister also added that he looked forward to Prime Minister Kriangsak's visit to Japan at a mutually convenient opportunity.

NATION REVIEW RELATES DISSIDENT TRIALS TO SOVIET AIMS AT SALT

BK130259Y Bangkok NATION REVIEW in English 13 Jul 78 p 2 BK

[Editorial: "Trials and Talks: Moscow's Timing Very Effective"]

[Text] The show trials in the Soviet Union of the two dissidents, Anatoliy Shcharanskiy and Aleksander Ginzburg, have made the Western world erupt in unprecedented protest with, surprisingly, the U.S. Congress creating most of the flak. The U.S. Senate has not only passed a resolution saying that, if the cases are not resolved in a humanitarian way, U.S.-Soviet relations will be sorely disrupted but it has also put pressure on President Jimmy Carter to act sternly even to the extent of U.S. refusal to participate in the Moscow Olympics in 1980. Perhaps the most telling indictment of the Soviet Union is that the Communist Party newspapers of both France and Britain have condemned the trials.

The Soviet Union has never had much respect for individuals or individual freedom and the recent trial of Yuriy Orlov and the present trials of Shcharanskiy and Ginzburg show that clearly. Neither of them was allowed to choose a defence lawyer. Defence witnesses were not permitted, and in the present trials the relatives of the 'accused' also have been kept out of the trials. Neither foreign journalists nor diplomats are allowed into the court room although all of them applied for permission in advance. These are sufficient facts to understand the rudiments of Soviet justice. But it is not our intentions to criticize the travesty of justice but to ask: Why has the Soviet Union chosen this time to make a show of strength against dissent in that country knowing full well that the Western world would be provoked if only to retaliate in words at present? Is it a clear message to Carter: "Shut up about human rights"? Or is some deeper political finagling involved?

The ire of the U.S. Senate was provoked because while the trials are going on Secretary of State Cyrus Vance is now in Geneva negotiating the SALT II agreement with Soviet Foreign Minister Andrey Gromyko. The Soviet Union could have easily set the trials at a different date but scheduling them to coincide with the Vance-Gromyko talks not only takes the temperature of the Carter administration but also gives the Kremlin an edge.

The trials caught the Carter administration in a dilemma. If Vance had cancelled his trip, the Soviet Union would be able to blame the U.S. for not pushing ahead with the all-important SALT talks which are considered vital to the whole world. If Vance attended the talks, then it would mean that the Carter administration was not taking a hard line on the trials and all the chatter about human rights could be written off in Moscow.

On a couple of occasions Carter made some really hardline speeches during the past two months but he has softened everytime his administration was faced with a Soviet fait accompli. From Moscow's point of view it does not matter what happens to Shcharanskiy or Ginzburg. The achievement is that Gromyko's hand is greatly strengthened in the current talks in Geneva.

SUPREME COMMAND REPORTS CAMBODIAN BORDER CLASHES DECLINE

BK140222Y Bangkok Domestic Service in English 0000 GMT 14 Jul 78 BK

[Text] The upcoming visit to Thailand of Cambodia's Deputy Prime Minister and Minister of Foreign Affairs Ieng Sary, which is scheduled for today, will help better the border situation between Thailand and Cambodia, a spokesman for the Supreme Command said yesterday.

During Mr Sary's 4-day visit here, the spokesman said, high-ranking officials of the two countries will meet and hold talks for a better mutual understanding. He also stated that attacks by the Cambodian troopers along the border had decreased in recent days, and Thailand's counterattacks were only preventive operations. According to another Supreme Command spokesman, 32 Thai citizens who earlier reportedly had been abducted by the terrorists have returned home. Meanwhile, 114 Cambodians were reported to emigrate into Thai territory.

The Supreme Command yesterday also officially denied earlier reports that notorious narcotics kingpin Khun Sa and his group have returned to Thailand. In addition, a Thai border patrol police unit has been stationed in Ban Hin Taek, Chiang Rai, to prevent the return of the group. Meanwhile, all Burmese minority groups residing in Chiang Rai have been registered and issued with identification card so that their movement and activities could be followed up by Thai authorities, the spokesman pointed out.

BRIEFS

TEXTILE EXPORTS TO U.S.--Deputy Commerce Minister Prok Amaranan yesterday strongly lashed the U.S. Amalgamated Clothing and Textile Workers Union for their charge that Thailand, among other countries, was illegally subsidising textile exports to the United States. The allegation that Thailand subsidises its textile exports is baseless. Although Thailand is not a member of the General Agreement on Trade and Tariffs (GATT), its trade policy and practice have always been in line with GATT's basic principles. Mr Prok, who is at the moment acting commerce minister, charged that it was some of the GATT members themselves who sought to obtain exemptions to the GATT provisions. Mr Prok's rebuttal came following reports that the Amalgamated Clothing and Textile Workers Union had filed charges with the U.S. Treasury that Thailand, Malaysia, Mexico, Pakistan and Singapore were illegally subsidising textile exports to the United States. [Bangkok POST in English 7 Jul 78 p 17 BK]

INDIA RELEASES FISHERMEN--India has agreed to release a Thai trawler and 49 fishermen who were arrested for intruding into Indian waters as a good will gesture following the recent visit of Deputy Prime Minister Sunthon Hongladarom and Foreign Minister Uppadit Pachariyangkun, the Indian Embassy has announced. The fishermen were earlier sentenced to a 6-month imprisonment. [Bangkok Domestic Service in English 0000 GMT 9 Jul 78 BK]

EXPANDED VERSION OF XUAN THUY'S KYODO INTERVIEW

OW131651Y Hanoi VNA in English 1609 GMT 13 Jul 78 OW

[Text] Hanoi, 13 Jul (VNA)--Xuan Thuy, on July 9, 1978, granted the following interview to H. Ikeuchi, representative of the Japanese news agency KYODO in Hanoi:

Question: What is in your view the intention of the Chinese Government when suddenly it launched an anti-Vietnam campaign on the Hoa people issue?

Answer: Just as you said, recently the Chinese authorities organized a campaign on the Hoa people to oppose Vietnam. In early 1978 the Chinese Government made public a new policy regarding Chinese residents in which Chinese residents are described as participants in the front against hegemony. This caused alarm in the Southeast Asian Countries with big Chinese populations because the Chinese residents might avail themselves of the fight against hegemony to cause disturbances in the countries of their residence.

In Vietnam in particular, after the Chinese Embassy disseminated this new policy regarding Chinese residents, the Hoa people who had connections with the Chinese Embassy began spreading rumours among Hoa communities. They said that China will help Kampuchea to fight Vietnam, the Soviet Union will jump in to help Vietnam, a big war will break out in Vietnam. If the Chinese residents should not return to China quickly, they would be killed by the Vietnamese, the Soviet army or Chinese troops themselves who would consider those Chinese residents who refused to repatriate as traitors.

They also said that the Chinese Government is calling Chinese residents back to build the country. Those who return early will be given privileges; those who do not want to live in China would be taken to Hong Kong, Canada, etc. This is a combination of threats with baits. Then, day and night the Hoa were urged to leave quickly, without need of any procedure. This caused panic among the Hoa, who left en masse illegally for China. Afterwards, the Chinese side loudly claimed that Vietnam "ostracizes, persecutes and expels Chinese residents." We tried to dissuade the Chinese side from such actions and proposed talks on this question, but the Chinese rejected our offer and asked to send ships to Vietnam to repatriate "victimized Chinese residents."

We told them: "There is no victimized Chinese in Vietnam." We do not oppose China, but want long-term cooperation with China. We have not persecuted or expelled any Hoa. In spite of the fact that there is no "victimized Chinese resident" in Vietnam, we have agreed, for the sake of friendship, to let Chinese ships come to Vietnam to pick up those Hoa desiring to leave for China. In fact, many Hoa in Vietnam, prompted by nostalgia of their motherland after many years of war, and yielding to the threats and enticement of the Chinese side, hastened to sell all their property and got ready to embark.

But the Chinese authorities declared that they will not pick up the Hoa, or Vietnamese of Chinese descent or Chinese residents wishing to leave for China. This caused deep resentment among the Hoa in Vietnam because by doing so China has caused dismemberment to many Hoa families who were living peacefully in Vietnam. We told the Chinese authorities that if they want to repatriate "victimized Chinese" they should take aboard the Chinese residents who were persecuted and expelled by the Phnom Penh regime and have fled to Vietnam. We are ready to hand these people over to China but the latter still has not answered.

Obviously the "victimized Chinese" issue is a pure invention by the Chinese side to fool the Hoa in Vietnam, the Chinese people and world opinion in order to have an excuse for withdrawing all aid and Chinese specialists and to cause difficulties to Vietnam in healing the wounds of war and rebuilding the country. The Chinese authorities often accused this and that country of nurturing expansionist schemes. But public opinion has pointed out that it is China which is hatching very dangerous expansionist schemes. Vietnam has its own policy of independence and sovereignty and international solidarity. This policy does not conform to the policy of the present ruling circles in China, so they are seeking every means to use pressure against Vietnam. China's assistance to Kampuchea to provoke a border war with Vietnam lies in this wicked scheme.

Question: Would you comment on China's decision to cut all its aid to Vietnam and Mr Teng Hsiao-ping's remark that China had given too much aid to Vietnam?

Answer: The late Premier Chou En-lai once said: "In the view of proletarian internationalists, international aid is always mutual. The Chinese people are likewise well aware what powerful support and assistance the Vietnamese people's bloody war resistance at the anti-U.S. front is to the Chinese people's who are engaged in socialist revolution and socialist construction. The Chinese people should be grateful to you."

For us Vietnamese, we think that our fight against the U.S. aggressors for national salvation was not only for the sake of our country but also for the sake of world peace and the revolutionary cause of many nations. Vietnam's enormous sacrifices for justice cannot be evaluated in terms of material things. Anyway, we are grateful to all our friends near and far who have supported us. We always set great store by their assistance, big and small. And we are very grateful for China's assistance.

China's cutting its aid to Vietnam and withdrawing its specialists from Vietnam are naturally causing certain immediate difficulties to Vietnam. Nevertheless, the Vietnamese people, with a high spirit of self-reliance and self-support and enjoying support from their many friends in all continents, will certainly safeguard the gains of revolution and successfully build an independent, unified and socialist Vietnam.

Question: Could you outline the history of Vietnam-China relations, especially since the struggle for the liberation of South Vietnam started?

Answer: Vietnam has a 4,000-year history of national construction and defence. In the remote past, Chinese feudalists frequently invaded Vietnam and applied a very cruel policy of domination. But the Vietnamese people on many occasions dealt deadly blows at the enemy and regained their independence. When imperialism invaded Asia, both China and Vietnam became victims of its invasion. The Communist Party of China and the Communist Party of Vietnam came into being one after the other and have ever since called on the peoples to strengthen mutual support and solidarity against imperialism and both peoples have recorded victories.

The Vietnamese and Chinese people were both victims of feudalism and imperialist forces. So, when they are politically awakened, they are closely united, sharing weal and woe. It is a fact that the Chinese people cheerfully applauded the Vietnamese people's victories in the anti-U.S. resistance war. The Chinese authorities, who always talk about lofty proletarian internationalism, should have applauded even more loudly than the Chinese people did. But as a matter of fact, the greater Vietnam's victories, the greater their bitterness. Especially since the complete liberation of South Vietnam and the reunification of Vietnam, they have become quite cold toward Vietnam and have seriously worsened Vietnam-China relations and brought it to its present situation.

I am sure that like the Vietnamese people the Chinese people did not want to see the Chinese authorities make such a volte-face.

Question: What is your opinion about the present regime in Kampuchea and the Chinese Government's support to it?

Answer: Many Kampuchean civilians and cadres who escaped death and fled to Vietnam said that under the Pol Pot-Ieng Sary regime the barbarity of the killings defies all imagination. They massacred the people en masse--including old people, children and pregnant women. Some people think that even medieval penalties could not be so brutal. Asked why they behaved so heartlessly, many Kampuchean soldiers captured during their invasions of the Vietnamese border said that they were under strict orders once arriving in Vietnam to kill anyone they met; kill as many people, burn as many houses and loot as much property as possible, and the more cruel they are the higher rewards they will receive. They knew this was against their conscience and against the traditional friendship between the two peoples, but their families would be killed. China is supporting this regime, including all-round assistance to Kampuchea in the latter's attack on Vietnam. When China refused to negotiate with Vietnam on the Hoa people question, many immediately concluded that Kampuchea's refusal to negotiate with Vietnam is also due to instigation by China, which wants Kampuchea to drag [out] the war. Phnom Penh has become a pawn on the chess-board of Peking.

Now as before we are for a solution to the problem in the relations between Vietnam and Kampuchea and between Vietnam and China through peaceful negotiation. We are still waiting for a positive response and good will of the Kampuchean authorities and the Chinese authorities. If they persist in their present hostile attitude they will surely invite still stronger condemnation by righteous opinion in the world and finally have to bear the consequences of their own acts.

Question: What do you have to say about Vietnam-Japan relations?

Answer: After thirty years of continual war, our people have no greater aspiration than lasting peace to reconstruct our country. We are for peace and friendship with our neighbouring countries and people throughout the world. We are closely co-operating with fraternal socialist countries while standing ready to expand our relations with countries having different political and social systems on the basis of the five principles of peaceful coexistence. Since the establishment of diplomatic relations between Vietnam and Japan, the two sides have made efforts to solve problems left by history. I believe that with further efforts of both sides Vietnam-Japan relations will be improved continually in the interests of the people of our two countries--for peace and prosperity of our region and the rest of the world.

'NO PROGRESS' REPORTED AT 12 JULY SRV-PRC TALKS

OW121541Y Hanoi Domestic Service in Vietnamese 1430 GMT 12 Jul 78 OW

[Text] At the session of 12 July, commenting on the Chinese side's statements at the previous sessions, the representative of the Consular Department of the Vietnamese Foreign Ministry once again rejected the Chinese side's slanderous allegation that Vietnam has ostracized, persecuted and expelled Hoa people and refuted the stand the Chinese side has been obstinately maintaining. According to this stand, China has sent ships to Vietnam to pick up only victimized Chinese.

Our representative stressed that in Vietnam there has never been a case of a victimized Chinese, but that there are now more than 20,000 Chinese residents who have been repressed and persecuted by the Kampuchean authorities and have been forced to take refuge in Vietnam. They are the really victimized Chinese China is referring to.

The Vietnamese side held that if the Chinese side is truly concerned about its civilian nationals' interests, bringing home the aforesaid victimized Chinese would conform to moral practice. Our representative asked the Chinese side to make known whether it is ready to pick up those people, as the Vietnamese side has proposed several times. If the Chinese side still refuses to pick them up, the Vietnamese people, for reasons of humanity and friendship will, despite many difficulties, continue to take care of them and assist them.

Our representative handed to the Chinese side a name list of 1,507 Chinese residents who fled to Vietnam from Kampuchea and are ready to leave for China. Regrettably, at today's session the Chinese representative evaded the proposal and refused to accept the list.

The representative of the Consular Department of the Vietnamese Foreign Ministry also proposed that the Chinese side positively respond to the Vietnamese side's two new proposals advanced at the session of 10 July 1978. These two proposals are as follows:

1. Regarding the procedures for Hoa people desiring to leave Vietnam for China, the Vietnamese side will establish a name list for the Chinese Embassy. If the Chinese side has a list of Hoa people desiring to leave for China and hands it to the Vietnamese side, the latter will accept it for consideration.
2. Regarding the Chinese ships' berthing time at Vietnamese ports, the Vietnamese side holds that a 3-day time limit is long enough. However, if the Chinese side maintains that this time limit is not enough, the Vietnamese side will agree to extend it to 5 days.

At this session, since the Chinese side continued to cling to its old stand and circuitously refuse the Vietnamese side's fair and reasonable proposals, the talks made no progress.

NHAN DAN CONDEMNS PRC'S ENDING OF AID TO ALBANIA

OW140830Y Hanoi VNA in English 0813 GMT 14 Jul 78 OW

[Text] Hanoi, 14 Jul (VNA)--The Communist Party paper NHAN DAN today says that China's decision to cut all its aid to Albania is an arbitrary and extremely arrogant act. The paper says:

"Less than 10 days after ceasing all aid to Vietnam and withdrawing all Chinese specialists, the Chinese authorities now apply this same high-handed measure to the Albanian Government and people. As in the case of Vietnam, the Chinese side cannot produce any plausible justification of this arbitrary and extremely arrogant act.

"Many people are wondering what Albania has done to irritate China to that point and to deserve such a brutal blow? The answer is very simple. The Albanian party and government have on many occasions criticized the 'three-world theory' put forward by the Chinese authorities. Peking cannot stand the fact that in the question of relations between Vietnam and Kampuchea the Albanian people have taken sides with reason and truth and express their sympathy with the Vietnamese people's just struggle. ZERI I POPULLIT, organ of the Albanian Party of Labour, in an editorial on June 24, 1978 strongly condemned those who stand behind the Pol Pot-Ieng Sary blood-thirsty clique and who want to impose their views and objectives through pressure and threats.

"It is clear that in relations with Albania the Chinese authorities have acted according to this guideline: 'If you don't fully support me, you are my opponent, and since you are my opponent, I cannot give you any assistance.' This is sheer arrogance of a big nation which uses aid as a bargain for its selfish interests."

"After the victory of the Chinese revolution, the Chinese Government has given great and all-round assistance to the Albanian as well as Vietnamese peoples. This assistance met the aspiration of the revolutionary-minded Chinese people. The Vietnamese as well as the Albanian peoples will forever be grateful for this assistance. But now the Chinese authorities have taken a wrong path, using aid to other countries as a tool of big-nation chauvinism. Aid has become a means for the Chinese authorities to impose their will on recipient countries and to force them to take their line and become mere tool like the Pol Pot-Ieng Sary clique in Kampuchea.

"When the recipient countries go against their will, the Chinese authorities retaliate brutally. They suddenly and arbitrarily cut all aid to Vietnam and Albania while increasing their military aid to the Pol Pot-Ieng Sary clique, pledging military aid to the Mobutu regime in Zaire, and tightening relations in many fields with Pinochet in Chile and other reactionary ruling circles in the world."

NHAN DAN concludes: "The crude act of the Chinese authorities will cause some inevitable difficulties to Albania. But the Vietnamese people firmly believe that with their tradition of indomitable and persistent struggle and their courageous labour, the fraternal Albanian people will overcome all trials and successfully continue their socialist construction.

"The Vietnamese people sympathize with the Albanian people's determination as expressed in the July 12 communique of the ALBANIAN TELEGRAPHIC AGENCY: "The pressure and blackmail to bring our party and people to their knees did not succeed and will never succeed. No pressure or blockade can suppress the voice of socialist Albania."

NHAN DAN COMMENTS ON PRC BORDER CONTROLS FOR REPATRIATION

BK140542Y Hanoi Domestic Service in Vietnamese 0415 GMT 14 Jul 78 BK

[Report on NHAN DAN commentary--date not given]

[Text] On 11 July the public security departments of Kwangsi and Yunnan provinces in China issued a joint public notice falsely accusing Vietnam of grossly trampling upon the treaty on Sino-Vietnamese border control. The notice reaffirmed the four points in that treaty in order to seriously implement Chinese stipulations on border control and to maintain normal order in Chinese border areas.

In particular, the Chinese authorities stressed: Beginning 12 July 1978 Chinese nationals residing in Vietnam who want to return to China are required to produce official repatriation certificates issued by the Chinese Embassy in Vietnam together with exit visas granted by Vietnamese authorities. This involves those who repatriate by road through the formal points of entry. Those who have not completed the necessary procedures will not be admitted. The Chinese authorities have also falsely branded those returning to China who are not in accordance with the set stipulations as spies sent to China by Vietnam.

Commenting on this matter, NHAN DAN says: These decisions of the Chinese side are not a surprise to us. They are simply another new trick aimed at pursuing their old plot, and are just like the two faces on a playing card. Everyone is aware that the Chinese authorities are behind the movement to coerce Hoa people to flee to China. It is they who have grossly violated the stipulations which they signed with the Vietnamese Government concerning procedures on the repatriation of Hoa people to China. They have caused many difficulties for Vietnamese border control by staging a "victimized Chinese crossing the border" tragi-comedy in which Chinese were described as having only their underwear while they were crossing the border, thus providing grist for tens of cheap propaganda films and fictitious stories by authors such as correspondent Ma Li.

The compassionate Vietnamese people have profound sympathy with the tragic situation of may Hoa families who are victims of a ruthless policy trampling on human feelings, and even speculates on the sacred sentiments of those people who day and night miss their native homes, who are attached to their ancestors' tombs and who love and miss their parents.

We have noted with indignation that the authorities of the so-called model socialist country have deceitfully and mercilessly treated the majority of workers who they call their nationals. All of a sudden, they have closed the Chinese border gates in the faces of the "victimized Chinese." Just a while ago, they organized grand ceremonies to welcome their "nationals in distress coming from Vietnam" and they even shed some crocodile tears. Yet today it is they who do not care about their nationals who they have said are in distress.

Confronted with such a blatant about-face, (?no one dares to believe) what he has seen. But this about-face is nothing new to us. For the Peking authorities, the "suffering and sorrowful victimized Chinese crossing the border" tragi-comedy has lasted long enough. It is time for the curtain to fall. The whole world is fully aware of their embarrassment and difficulties. The longer the tragi-comedy goes on, the more clearly the true faces of its actors are exposed to the Hoa people, whom they have fooled into fleeing to China, to the Hoa people who remain in Vietnam, to the majority of the Chinese people, and to world public opinion, especially in Southeast Asia.

Obviously, in their heart there is no room for them to give a modicum of attention to the lives, property and happiness of the Hoa people, Vietnamese of Chinese descent and even Chinese residents. Their attention is only on their expansionist strategy in Southeast Asia and their anti-Vietnam policy, an important part of this strategy. Coercing the Hoa people to emigrate to the other side of the border or preventing them from crossing the border is only aimed at serving this sinister strategy and policy. Their asking the Hoa people who desire to go to China to comply with exit procedures which accord with the viewpoint they want Vietnam to accept, as well as their persistent request that Chinese ships come to Vietnam to pick up only "victimized Chinese" is nothing more than an excuse to seek trouble with Vietnam.

If they sincerely have compassion for the Hoa people or Chinese nationals, they should not have refused to accept the lists of Hoa people wishing to leave for China, lists which the Vietnamese side has forwarded to them. They have also not dared to hand over to the Vietnamese side their lists of Hoa people desiring to return to China. They are even more afraid to touch on the list of 1,507 Chinese residents who are victims of the Pol Pot-Ieng Sary clique who have fled to Vietnam from Kampuchea and have applied to them for repatriation to China.

NHAN DAN concludes: In spite of all this, they are so brazen as to falsely accuse Vietnam of grossly trampling upon the agreement on control of the border between the two countries. The fact that on 8 July they had formations of jet planes on many occasions penetrate deep into Vietnam's airspace is undeniable proof frustrating their slanderous allegations and exposing their true face as intentionally violating the Socialist Republic of Vietnam's sovereignty and territorial integrity. Let the Chinese authorities immediately end all these serious acts.

JOURNAL CITED ON INCREASED PRC MILITARY AID TO CAMBODIA

BK080324Y Hanoi Domestic Service in Vietnamese 2300 GMT 7 Jul 78 BK

[Text] According to REUTER, on 6 July the FAR EASTERN ECONOMIC REVIEW quoted sources close to Peking as saying that China has accelerated its supply of weapons to Kampuchea and that the number of Chinese military advisers and military engineers in Kampuchea has rapidly increased. According to dispatches from Vientiane, the number of Chinese transport aircraft flights to Kampuchea has recently increased heavily.

PEKING'S DENIAL OF SUPPORT FOR ATTACKS ON SRV REFUTED

OW131357Y Hanoi International Service in English 1000 GMT 13 Jul 78 OW

[Text] The Peking newspaper PEOPLE'S DAILY on July 12, ran an article denying any Chinese support to the Phnom Penh regime's attacks against Vietnam. However the Chinese press cannot hide the truth so easily. The newspaper HORIZONT in the German Democratic Republic has observed that Kampuchea would never be able to conduct persistent acts of war against Vietnam without active Chinese support. Other foreign papers have shared the view that China stands behind the Vietnam-Kampuchea border conflict. As reported by correspondents from Bangkok and Hong Kong, the Kampuchean army is equipped mostly with Chinese weapons. The same sources said: Chinese military specialists are present among Kampuchean troops.

A captured Kampuchean soldier named (Oat Trap), head of Platoon 223, Battalion 232, Regiment 23, Division 290 of the Kampuchean army confessed that the organization on high told him not to fear Vietnam. They said Kampuchea has a strong supporter in China. (Oat Trap) also confessed that the Kampuchean armed forces are equipped with Chinese weapons, tanks and armored cars. He said he personally saw many Chinese advisers in military vehicles inspecting the situation in Kampuchea.

Another Kampuchean officer who fled to Vietnam has corroborated these facts. He is Run Dun, commander of Battalion 12, Regiment 137, affiliated to the division in Region 20. He said that at the instigation of Chinese authorities the Pol Pot-Ieng Sary clique has made black white, regarding Vietnam as an enemy and continuously making armed provocations against Vietnam.

According to REUTER news agency, the FAR EASTERN ECONOMIC REVIEW has quoted sources close to Peking as saying that China has increased military aid to Kampuchea. The number of Chinese military advisers and technicians sent to Kampuchea has also increased considerably. The same source revealed that the number of Chinese airlift to Kampuchea has also been (?increased).

The Cuban paper BOHEMIA noted recently that while repulsing Kampuchean military attacks the Vietnamese peoples' armed forces have captured a large quantity of Chinese-made weapons and ammunition.

The foregoing constitutes concrete evidence of Peking's collusion with and support for the Kampuchean rulers against Vietnam. It is believed that China wants to make Kampuchea a tool to weaken Vietnam and materialize Peking's expansionist scheme.

CAMBODIAN REFUGEES SUPPORT SRV STAND ON BORDER DISPUTE

BK131117Y Ho Chi Minh City Domestic Service in Vietnamese 1200 GMT 8 Jul 78 BK

[25 June resolution read by (Huong Son), native of Svay Rieng Province, adopted by 5,000 Cambodian refugees in Tan Chau village, Tan Bien district, Tay Ninh Province--recorded in Cambodian fading into Vietnamese translation]

[Text] On behalf of all Kampuchean refugees in fraternal Vietnam, we adopt this resolution, dated 25 June 1978, to denounce before the Vietnamese and the world the extremely reactionary attitude of the present Kampuchean powerholders toward our nation and our fraternal Vietnamese neighbor. Over the past 3 years this attitude has caused the death of millions of innocent people and transformed Kampuchea into a hell on earth, the largest prison in the world.

Facts over the past 3 years reveal that the lawless regime of the Pol Pot-Ieng Sary clique has been implementing a dictatorial and fascist policy. The bloody hands of the reactionary clique have coerced and killed our Kampuchean people who are leading a very harsh life. It has stamped out all national customs and mores and culture and education; closed down all schools, pagodas and temples; and destroyed all vestiges of the past. The people's lives are miserable.

The people are forced to work from dawn to dusk for a daily ration of one can of rice per person. Prisoners receive only a can of rice for every four persons. Sick people have no medicine. Boys and girls cannot choose their spouses. Prior approval must be obtained for all travel, even from one hamlet to another or to call on family members such as brothers, sisters, wives and husbands. They have classified youths, teenagers, adults and old people by sex and age. Nearly all personnel of the former regime have been arrested and killed. Whoever tries to oppose their barbarous regime is condemned as a reactionary. They often say: these people are useless alive.

Regarding Vietnam, they have conducted propaganda to instigate national hatred between the Vietnamese and Kampuchean peoples, who have a longstanding tradition of solidarity stemming from resistance struggles against France and the United States. They have often accused Vietnam of invading Kampuchea and massacring Kampuchean people. Since we fled to Vietnam we have witnessed many villages destroyed, thousands of Vietnamese people killed and countless Vietnamese houses and property burned by Kampuchean forces.

After the 1975 victories, Kampuchea and Vietnam should have begun cooperating with each other to rebuild their respective countries. However, the Pol Pot-Ieng Sary clique, supported by a foreign country, has run counter to the genuine interests of our Kampuchean nation and has betrayed the longstanding tradition of solidarity with the Vietnamese people.

Since fleeing to Vietnam we have been well treated by the Vietnamese people. In particular, we have been able to enjoy our traditional Kampuchean festivals, which have been abolished over the past few years by the powerholders in our country. Our Kampuchean people can see Vietnam's just cause and its constant desire to maintain solidarity between the two nations. The Vietnamese authorities have not changed heart like the reactionary Kampuchean powerholders.

We would like to ask permission to remain as refugees in fraternal Vietnam until the present reactionary regime in our country is completely overthrown, after which we will return to our country to rebuild it.

FOREIGN NEWSPAPERS CONDEMN CHINESE POLICIES

Soviet Press, Officials Comment

OW131719Y Hanoi VNA in English 1604 GMT 13 Jul 78 OW

[Text] Hanoi, 13 Jul (VNA)--Peking's distortions of the policy of the Communist Party and Government of Vietnam concerning the Hoa people in Vietnam were exposed by the Soviet paper ISVESTIYA on Tuesday (July 11). The paper wrote:

"The slanderous campaign against sovereign socialist Vietnam has caused legitimate concern to the peoples, but it surprises nobody. Time and again world public opinion has witnessed such actions by Peking....

"To world public opinion the name 'Vietnam' has become a symbol of the struggle for freedom and independence. No pressure can be brought to bear upon this heroic country to make it change its viewpoint."

Another Soviet paper, INOSTRANNAYA LITERATURA on July 12 said that world public opinion condemned Peking's anti-Vietnam slander campaign and its cutting of economic aid to Vietnam. The paper wrote: "Progressive opinion in the world resolutely condemns Peking's escalating anti-Vietnam campaign. It is a manifestation of the ambitions of big-nation hegemony, and of the left extremists wanting to cause tension. What do these acts aim at? Facts show that Peking is sparing no action in trying to force Vietnam to 'surrender.'"

Speaking at the regular session of the Presidium of the World Peace Council in Moscow on July 11, Ponomarev, alternate member of the Political Bureau, and secretary of the Communist Party of the Soviet Union Central Committee, denounced China's policy toward the Vietnamese people, who have just gained freedom for their country following bloody fighting, and criticized Peking's anti-Soviet policy.

Czechoslovaks Score Airspace Violations

OW130725Y Hanoi VNA in English 0658 GMT 13 Jul 78 OW

[Text] Hanoi, 13 Jul (VNA)--RUDE PRAVO, paper of the Central Committee of the Communist Party of Czechoslovakia, on July 12 condemned China for sending fighter aircraft to intrude into Vietnamese airspace. The paper said:

"The Vietnamese Government has time and again asked the Chinese Government to discuss the present dispute, but China has answered with provocations and an attitude of big nation chauvinism. Now it is using another form of pressure by ordering illegal flights into Vietnamese airspace. The Chinese authorities have widened the scope of their hostility from diplomatic and economic actions to violations of the national border and airspace of the Socialist Republic of Vietnam."

LE THANH NGHI DELEGATION RETURNS FROM CEMA SESSION

OW131659Y Hanoi VNA in English 1643 GMT 13 Jul 78 OW

[Text] Hanoi, 13 Jul (VNA)--The Vietnamese Government delegation led by Le Thanh Nghi, Political Bureau member of the Communist Party of Vietnam Central Committee and vice premier, returned here today after attending the 32d session of the Council of Mutual Economic Assistance and visiting a number of fraternal socialist countries.

It was greeted at the airport by Vo Chi Cong, Political Bureau member of the party Central Committee and vice premier; Vu Tuan, member of the party Central Committee and minister at the premier's office; Nguyen Huu Mai, member of the party Central Committee, minister and vice chairman of the State Planning Commission; Dang Viet Chau, minister of foreign trade; and Hoang Luong, vice minister for foreign affairs. Also present were ambassador or charge d'affaires a.i. of the Soviet Union, Romania, Hungary, the German Democratic Republic and Czechoslovakia.

DANISH DELEGATION MEETS XUAN THUY, LEAVES HANOI

OW091305Y Hanoi Domestic Service in Vietnamese 1430 GMT 7 Jul 78 OW

[Text] A delegation of the Denmark-Vietnam Friendship Society led by its chairman, Prof Johannes Glavind, has left Hanoi. During its sojourn in Vietnam, the delegation visited a number of economic, cultural and social installations. It also visited Kampuchean refugee centers and met with a number of Hoa people and Vietnamese of Chinese descent in Hanoi and Ho Chi Minh City, as well as some Chinese refugees from Phnom Penh now living in Ho Chi Minh City.

Comrade Xuan Thuy, vice chairman of the National Assembly Standing Committee and member of the Presidium of the Vietnam Fatherland Front Central Committee, cordially received the delegation on 3 July.

CANADIAN ENVOY VISITS QUANG NAM-DANANG PROVINCE

OWO71531Y Hanoi VNA in English 1524 GMT 7 Jul 78 OW

[Text] Hanoi, 7 Jul (VNA)--Canadian Ambassador to Vietnam Arthur R. Menzies recently visited Quang Nam-Danang Province (central Vietnam) and Ho Chi Minh City. He was accompanied by M. Landry, representative of the Canadian International Development Agency (CIDA).

Besides visiting places which received wheat flour donated by the Canadian Government, the guests called at a number of medical, hydraulic and handicraft establishments built with the aid of Canadian mass organizations. The ambassador and the CIDA representative spoke with Vietnamese peasants.

VPA MARKS ALBANIAN ARMY DAY ANNIVERSARY

OWO90758Y Hanoi VNA in English 0725 GMT 9 Jul 78 OW

[Text] Hanoi, 9 Jul (VNA)--The 35th anniversary of the People's Army of Albania (July 10) has been celebrated here by the command of the Hanoi garrison of the Vietnam People's Army.

Present were Major General Vu Xuan Chiem, vice minister of national defence; members of the command staff of the Hanoi armed forces, and large numbers of officers and army men in the capital city. Albanian Ambassador to Vietnam Izedin Hajdini and many members of his staff also attended. On this occasion, the Albanian ambassador opened a photo exhibition on the Albanian People's Army.

DAM QUANG TRUNG ATTENDS PARTY SCHOOL GRADUATION FOR MINORITIES

BK010932Y Hanoi Domestic Service in Vietnamese 0400 GMT 29 Jun 78 BK

[Text] In compliance with a directive issued by the VCP Central Committee Secretariat, the 1st Military Region and the Nguyen Ai Quoc School, Annex 6, jointly conducted a refresher political training class for more than 200 military cadres who will be sent to various districts. Almost all of these cadres are ethnic minority people from the Tay Bac and Viet Bac mountainous border areas.

During their 10-month training at the Nguyen Ai Quoc Party School, they were taught essential subjects dealing with Marxist-Leninist theory, philosophy, political economics, scientific socialism, party history, and the party's line and policies.

The course's graduation ceremony was organized on 22 June at the school's branch in Thai Nguyen city. Maj Gen Dam Quang Trung, member of the VCP Central Committee and commanding general of the 1st Military Region, attended and briefed the graduates on the situation and their new tasks. He also gave his personal advice to them prior to their departure for new assignments in various mountainous and border areas.

Fully aware of their responsibilities, the graduates enthusiastically received their assignments to the mountainous provinces of Son La, Lai Chau, Ha Tuyen, Hoang Lien Son, Cao Lang and Bac Thai where they will help build the district level by motivating local ethnic minority compatriots to step up production and to strengthen political security and national defense in various mountainous and border areas of the fatherland.

VUONG THUA VU PRESIDES AT MILITARY COMMENDATION CEREMONY

BK020830Y Hanoi Domestic Service in Vietnamese 2330 GMT 27 Jun 78 BK

[Text] Implementing decision No 87/CT of the Council of Ministers, decision No 307/TTG of the premier and resolution No 300/NQTU of the Standing Committee of the Central Military Party Committee, the VPA General Staff on the morning of 26 June held a solemn ceremony to award specialized service insignias to cadres and combatants engaged in specialized, technical, professional and service activities.

After hearing the decision of the Council of Ministers acknowledging as specialized military men those basic or middle level people with specialized, technical or professional skills who are engaged in combat command or support activities and in building the army, Lt Gen Vuong Thua Vu, on behalf of the party committee and the chief of the VPA General Staff, praised the body of specialized military men and national defense workers and personnel for their achievements in the past anti-U.S. national salvation struggle and in the current task of building the army.

Dealing with the role and tasks of the specialized military personnel and national defense workers, the comrade deputy chief of the VPA General Staff stressed: The body of specialized and technical cadres, specialized military personnel and national defense workers of our army has vigorously developed. They are people who have specialized and technical skills who have served in the army for a long time. They are the core force directly carrying out specialized and technical activities. Trained in schools and having accumulated experiences through productive labor, they have assumed the army's complex technical duties. Therefore, specialized military personnel and national defense workers have become an important force in developing specialized, technical and professional skills in the army in order to positively contribute to its modernization. You comrades are valuable assets to the army.

On behalf of the body of specialized military personnel in the VPA General Staff organs, Capt (Nguyen Huu Ky) expressed his pride at the attention accorded these personnel by the party, government, the Central Military Party Committee and the Ministry of National Defense, and pledged to constantly develop the army and its traditions, to strive to study and train in all fields and to improve work efficiency along with the entire army to successfully carry out the army's two political tasks.

HO CHI MINH CITY STRENGTHENS PUBLIC SECURITY, ORDER

OW091631Y Hanoi Domestic Service in Vietnamese 1430 GMT 7 Jul 78 OW

[Text] The movement to maintain political security and social order has been vigorously carried out in Ho Chi Minh City during the first 6 months of this year. More than 3 million people have successfully studied set regulations and actively discharged their tasks of maintaining public order and security. Youth teams have effectively helped security agencies in promptly detecting and handling many cases breaching public security and causing public disorder.

By doggerel verse, slogans, pictures, and wall posters, city wards and subwards and villages have urged the local people to satisfactorily observe set regulations. In the 8th, 10th and 5th precincts and Phu Nhuan city ward, shock youth propaganda teams have been organized to motivate every family to satisfactorily carry out its tasks of maintaining public order and security.

PRIVATE PRINTING SECTOR IN HO CHI MINH CITY TRANSFORMED

OW141021Y Hanoi VNA in English 0714 GMT 14 Jul 78 OW

[Text] Hanoi, 14 Jul (VNA)--More than 600 private printeries, with 3,500 workers, have been converted into state-owned or state-private enterprises, or cooperative shops in Ho Chi Minh City. This crowns efforts to transform the private printing sector in the city since the formation of the Joint State-Private Printery No 1 in May last year.

Almost 2,000 printing, type-setting, cutting and binding machines are being used, and investments have amounted to 43 million. The printing service in the city now has eight state-run and seven state-private printeries, one state-private type-setting plant, and one state-private stereotype plant. In addition, there are four printing cooperatives and a pulp and paper cooperative. The printeries have an aggregate annual per-shift capacity of 6 billion pages.

PHAM HUNG HEADS CONFERENCE ON CURRENCY UNIFICATION

BK141200Y Hanoi Domestic Service in Vietnamese 0400 GMT 12 Jul 78 BK

[Text] The Council of Ministers Standing Committee recently held a conference in Ho Chi Minh City to review the completed task of unifying currency throughout the country by issuing new banknotes and withdrawing old ones. Attending the conference were members of the Central Currency Conversion Committee, some ministers concerned, secretaries and chairmen of city and municipal party committees and officials in charge of local finance, bank and public security sectors.

Pham Hung, Political Bureau member and vice premier, presided over the conference. Hoang Anh, Party Central Committee member and chairman of the Central Currency Conversion Committee, read a recapitulative report which was afterward complemented by reports given by State Bank Director General Tran Duong and leaders of some central sectors concerned. Many of the local leaders attending the conference also made statements. The conferees unanimously agreed:

1. Under the leadership and guidance of the party Central Committee, the government and all party committee echelons and local administrations, and with the positive assistance and close coordination of responsible sectors, currency unification--the issuance of new banknotes and the withdrawal of old ones--was successfully carried out nationwide within the prescribed period of time, thus fulfilling the set requirements. The entire country now has a unified currency serving as a state tool to support the planning task and the organization of production and the people's livelihood.

Through currency conversion the state has partly brought under control the monetary income of those elements engaged in illegal businesses and the cash funds of exploitative elements. It has also grasped the monetary income situation of various zones, organs and factories and of people of all strata, thus enabling it to devise plans and measures to better regularize monetary circulation and management. Also through this currency conversion process errors and loopholes in economic, financial and monetary management were detected, and the leading cadres of all ranks and sectors given an opportunity to firmly grasp the monetary and financial situation and realize the necessity of strengthening market, price, monetary and financial management.

Nearly 2 months have elapsed since currency unification--the issuance of new banknotes and the withdrawal of old ones. Today, in all localities, especially in the southern cities and provinces, the prices of some products have been either stabilized or lowered. These initial results open encouraging prospects.

2. This currency conversion can be considered a success mainly in the following respects: The party and state policy of unifying currency has responded to the earnest aspirations of the masses because it is fair and reasonable. The currency conversion plan was implemented in close connection with plans and measures to manage the market and goods and to reform trade; plans and measures which had won wholehearted support of the masses.

Regarding the organization and implementation of the conversion plan, the party Central Committee and government clearly determined the responsibility of all sectors, party committee echelons and local administrations in concentrating their efforts on mobilizing cadres to participate in the new campaign. Millions of people were mobilized to directly participate in the currency conversion process and to perform guidance and control tasks. Within only a short period of time we fulfilled without error an urgent task which needed thorough preparation nationwide. This reflected the organizational ability of various sectors, echelons and cadres to carry out the campaign.

With respect to the currency conversion procedures, many localities satisfactorily combined the mass movement with other professional, specialized and administrative measures, thus insuring security and order. The people throughout the country enthusiastically assisted cadres in withdrawing old banknotes, exchanging them for new ones and preventing the dispersion of money and price increases. In several localities, people returned extra money they had received through errors committed by personnel at exchange counters.

The division of declaration, accounting and money collection duties at the exchange counters into three separate operations, the organization and training of cadres and practice helped effectively prevent errors, abuse and corruption among cadres. The success of the recent currency exchange was a success for the cooperation and coordination between central sectors and local party and administrative committees. It was also a success for the party's leadership, governmental management and the people's collective ownership.

3. The unification of currency, the issuance of new banknotes and withdrawal of old ones have successfully concluded. However, we still have many things to do to strengthen currency nationwide and to allow our unified currency to fulfill its function as a state tool in organizing production, circulation and distribution, organizing the people's lives, supporting the transformation of various economic elements along the line of socialism and supporting the cause of socialist industrialization.

Following are the urgent, basic long-range tasks which must be satisfactorily carried out: We must concentrate our efforts on stepping up the development of production and the practice of thrift throughout the country. Each sector, locality and unit must actively bring into full play all its capability to turn out products at the lowest cost and in the most economical manner possible, supplying the state with ever greater quantities of goods at increasingly lower prices. This is the most practical way to help rectify the existing imbalances in the national economy and to stabilize and constantly increase the purchasing power of the unified currency.

We must actively strive to strengthen and reorganize the materials and goods circulation and distribution sectors and bring into full play the role of the socialist material supply and trade sectors to support production, the people's life, export and market and price management.

We must resolutely ban illegal trade in goods which are essential to the people's lives, raw materials necessary for industry, exportable products, and materials and goods imported by the state or produced by state-operated enterprises. It is absolutely necessary to prevent poor organization of the collection, purchase and consumption of products and unsatisfactory material and goods distribution from affecting production and the people's livelihood, producing a new class of merchants, and causing artificial shortages of materials, goods and money.

Concluding the conference, Comrade Pham Hung commended the common achievements of all sectors and levels--from the Center to the grassroots--in organizing the withdrawal and exchange of currency. He profoundly dealt with the necessity of satisfactorily organizing the task of balancing budgets, cash funds and the supply of materials and goods. Comrade Pham Hung said: It is necessary to urgently improve planning work in order to insure balance among the major targets of the state plan, between production and consumption, between receipt and expenditure, between export and import, and so forth.

To insure this balance and firmly maintain the value of the new currency, it is essential that in the present situation we concentrate our efforts on resolving the problem of grain and foodstuffs at all costs. We must consider fulfilling the target of 21 million tons of grain in the current 5-year plan to be the primary goal of state plans for 1978 and subsequent years. On the one hand we must actively strive to overcome difficulties to insure and promote production, on the other we must absolutely practice economy in production and construction as well as in consumption, selling more products and goods to the state while depositing more money in savings funds, thus contributing to maintaining, strengthening and gradually increasing the purchasing power of our currency.

LE VAN LUONG ADDRESSES HANOI MEETING ON PRESENT TASKS

BK040710Y Hanoi Domestic Service in Vietnamese 2300 GMT 3 Jul 78 BK

[Text] On the morning of 3 June, Le Van Luong, member of the party Central Committee, addressed the sixth meeting of the seventh Hanoi city people's council on the new situation and tasks.

Comrade Le Van Luong urged the delegates from the city people's council and the party and administrative committees at all levels to make sure party members and cadres and the people thoroughly understand the present revolutionary situation and tasks of the entire country as well as the situation and task of the capital city of Hanoi and, on this basis, heighten the sense of responsibility and the spirit of collective ownership of all citizens so that they will be ready and resolved to overcome all difficulties and insure the performance of all duties.

Comrade Le Van Luong stressed: Building and defending the country and developing the economy are now very urgent tasks. All echelons and sectors must strengthen management, boost industrial and agricultural production, satisfactorily organize the people's life and build material and technical bases more satisfactorily in order to lead the national economy in quickly, vigorously and steadily advancing toward socialism and creating conditions for further consolidating national defense.

Organs, enterprises and people's organizations in Hanoi must review their tasks--especially important ones--and work out plans to completely accomplish them. Only then will we be able to outstandingly fulfill the economic construction task. All echelons and sectors must continue accelerating the three revolutionary movements in the capital, resolutely oppose all negative manifestations and help make the task of building the national economy highly efficient.

Along with comprehensively, steadily and vigorously developing the economy, we must pay appropriate and constant attention to consolidating national defense. Hanoi must satisfactorily carry out troop recruiting and military training and consolidate and develop the local military forces. The people in the capital must uphold their patriotic traditions and educate their sons and brothers to respond to all revolutionary movements and be ready to assume all duties entrusted to them in the new revolutionary stage.

TO HUU ADDRESSES EDUCATIONAL CADRE REFRESHER COURSE

OW991320Y Hanoi Domestic Service in Vietnamese 1430 GMT 7 Jul 78 OW

[Text] On the morning of 6 July Comrade To Huu, alternate member of the Political Bureau and head of the Propaganda and Training Department of the party Central Committee, visited and talked with nearly 800 managerial cadres of the Hanoi educational sector who have been attending a summer refresher course.

Comrade To Huu praised the Hanoi educational sector for having made great efforts to enable nearly all school-age children to receive an education from kindergarten through general school. He noted with satisfaction that educational quality is relatively equal at all educational levels, that the complementary education movement in Hanoi has developed well and that the number of students attending level-III complementary education classes--45,000 students--is higher than level-III general schools.

He urged cadres of the capital's educational sector to pay attention to implementing the educational principle "study must be coupled with practice." However, primary stress must be placed on educational achievements rather than on economic achievements. The organization of production should be mainly concerned with the production of training aids for use at schools in the locality. He stressed that Hanoi still must learn from other localities with regard to building schools and producing training aids with their own means and developing [educational] movements, as has been done in Ngo Luong village, Ha Son Binh Province, and Cam Binh village, Nghe Tinh Province.

He noted that the Hanoi educational sector should strive to further enhance its teaching quality and that teachers must set an example for students and provide them with political and ideological education. Teachers must arouse in students a love of socialism and make them aware of the evil nature of capitalism. Political education at schools must be carefully studied, easy to understand teaching methods must be used and viewpoints must be appropriately expounded to help students of different age groups grasp them easily. They must inculcate in the students the cardinal virtue of "one for all and all for one."

Comrade To Huu lauded the Hanoi municipal party committee for properly concerning itself with building a material and technical base and providing the schools in the capital with teaching equipment. However, he made some critical remarks about the spirit of collective mastery and the attitude toward protecting public property at schools in Hanoi. He said that in many places damaged training aids, tables, benches and so forth have been left largely unrepaired. He also reminded cadres of the Hanoi educational sector to make students clearly aware of the current situation and their new tasks, arouse in them the tradition of defending national independence and urge them to uphold vigilance and be ready to defend their fatherland. Comrade To Huu called on all cadres of the Hanoi educational sector to strive to better discharge all tasks entrusted to it so that the capital's educational achievements will serve as an example for the whole country.

BOOK ON SRV-LAOS FRIENDSHIP COMMEMORATES TREATY ANNIVERSARY

OW130827Y Hanoi VNA in English 0709 GMT 13 Jul 78 OW

[Text] Hanoi, 13 Jul (VNA)--"Vietnam-Laos Friendship Outlasts Mountains and Rivers" is the title of a book published by the Su That (Truth) publishing house in Hanoi on the first anniversary of the signing of the treaty of friendship and cooperation between the Socialist Republic of Vietnam and the Lao People's Democratic Republic.

Its 100-odd pages contain speeches by Le Duan, general secretary of the Central Committee of the Communist Party of Vietnam; Pham Van Dong, Political Bureau member of the CSP Central Committee and premier of the SRV; and Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party and prime minister of the LPDR, during the official friendship visit of a Vietnamese party and government delegation to the LPDR from July 15 to 18, 1977.

In their speeches, the party and government leaders of the two countries reaffirmed the militant solidarity, the pure friendship and deep loyalty between the two parties and peoples of Vietnam and Laos which the late President Ho Chi Minh took great pains to cultivate. Also included in the book is the full text of the Vietnam-Laos joint declaration and the treaty of friendship and cooperation between the SRV and the LPDR.

DELEGATES TO HAVANA YOUTH CONFERENCE INTRODUCED IN HANOI

OW140726Y Hanoi VNA in English 0710 GMT 14 Jul 78 OW

[Text] Hanoi, 14 Jul (VNA)--A press conference was held here yesterday by the Central Committee of the Ho Chi Minh Communist Youth Union to present the Vietnamese youth delegation to the coming 11th World Festival of Youth and Students in Havana. Speaking to newsmen, Dang Quoc Bao, first secretary of the Central Committee of the Union, who will lead the delegation, said the primary aim of his delegation is to voice the Vietnamese youth and people's militant solidarity with the youth of other countries who are struggling against imperialism, old and new colonialism, racism and other reactionary forces, for peace, national independence, democracy and social progress.

It will also convey to the festival the Vietnamese youth and people's deep thanks for the great support and assistance of the world youth and people, he said. The delegation has 275 members representing more than ten million young people throughout the country, including many army and labour heroes and heroines and outstanding workers.

BRIEFS

FREIGHTER AT SAIGON WHARF--Hanoi, 3 Jul--Vung Tau, a large Vietnamese freighter, called at the forward sector of Saigon harbour yesterday with the first cargo of her plan for the third trimester of 1978. The 11,500-ton ship, formerly named Thuong Tin, was berthed at pier No 3 of Vung Tau wharf, which can also accommodate tankers and large steamers. [Text] [Hanoi VNA in English 1551 GMT 3 Jul 78 OW]

DONATION FROM GDR--Hanoi, 9 Jul--The "Bread for the World," affiliated to the Catholic Church of the GDR, has donated 1 million marks to the Vietnamese people, according to VNA's correspondent in Berlin. A delegation of this organization called on the office of the GDR Central Solidarity Committee and handed the sum, which was raised in response to an appeal of the World Health Organization. It will be used to buy antibiotics for the SRV. Since 1962, the "Bread for the World" has donated 11 million marks to Vietnam. [Text] [Hanoi VNA in English 1511 GMT 9 Jul 78 OW]

OLD BELL RETURNED--Hanoi, 14 Jun--A ceremony was held at Quan Su Pagoda here this afternoon to receive the old Vietnamese bell returned to Vietnam by the Japan-Vietnam Friendship Association and the association to return the bell to Vietnam. The bell was discovered at an antique shop in Ginza Street, downtown Tokyo, last September. A nationwide fund-raising campaign was launched, lasting until late January 1978, to buy the bell and return it to Vietnam. Chief priest Mibu Shojun, head, and the members of the delegation of the Japan-Vietnam Friendship Association and the association to return the bell to Vietnam now on a visit here attended the ceremony. [Excerpt] [Hanoi VNA in English 1522 GMT 14 Jun 78 OW]

SWEDISH ASSISTANCE--Hanoi, 14 Jun--Twenty creches, each receiving about 100 children, will be built in Vietnam during the 1978-1979 period with the assistance of the Swedish Save the Children Organisation. This provision was made in the program signed between the Swedish organisation and a delegation of the Vietnam Mother and Child Care Committee, headed by President Ms Dinh Thi Can, during a recent visit to Sweden. [Hanoi VNA in English 1519 GMT 14 Jun 78 OW]

CUBAN CINEMATOGRAPHER HONORED--Hanoi, 9 Jul--Vietnam's Ambassador to Cuba Ha Van Lau, on behalf of the Vietnamese Government, on July 7 presented the friendship order to Cuban film maker Santiago Alvarex, the VNA correspondent in Havana reports. [Excerpt] [Hanoi VNA in English 1513 GMT 9 Jul 78 OW]

COWS FROM CUBA--Hanoi, 23 Jun--Cuba has presented Vietnam with 256 more Holstein milk cows. The cows--the last of a herd of 1,000 given by Cuba to the Vietnamese people--were handed over by Ambassador Melba Hernandez yesterday (June 22) to Tong Tran Dao, vice minister of agriculture of Vietnam. The cows, from 12 to 15 months old and weighing 300 kilos each, will be kept at Duc Trong dairy farm in Lam Dong Province northeast of Ho Chi Minh City. Ten Cuban experts, who accompanied the shipment, will stay at the farm for 3 months to help acclimatize them. [Excerpt] [Hanoi VNA in English 1533 GMT 23 Jun 78 OW]

CHRISTIAN PEACE CONFERENCE--Hanoi, 26 Jun--Vietnam has conferred the Friendship Order on the Christian Peace Conference [CPC]. The order was conferred by Ambassador to Czechoslovakia Nguyen Tien Thong on June 24 during the 5th congress of the CPC held in Prague. Present were Archbishops Nicolim and Caroly Tos, respectively president and general secretary of the Christians for Peace, a Vietnamese Catholic delegation, and Christian delegations from Asia, Europe, Africa, North America and Latin America. [Excerpt] [Hanoi VNA in English 0750 GMT 26 Jun 78 OW]

SOUTH AFRICAN STRUGGLE WEEK--Hanoi, 27 Jun--The Vietnamese people have always followed the South African people's just struggle with profound sentiments and fully support their revolutionary cause. So said Tran Hoai Nam, member of the Presidium of the Vietnam Asian-African Solidarity Committee, at a meeting held here today by the Vietnam Committee for Solidarity With the Peoples of Other Countries [VCSPOC] and the Vietnam Asian-African Solidarity Committee on the week of solidarity with the South African people. Among those present at the meeting were Hoang Minh Giam, president of the Presidium of the VCSPOC, and Pham Huy Thong, member of the Presidium of the Vietnam Peace Committee. [Excerpt] [Hanoi VNA in English 1530 GMT 27 Jun 78 OW]

WOMEN'S DELEGATION TO ROMANIA--Hanoi, 17 Jun--The Vietnam Women's Union delegation led by Nguyen Thi Minh Nha, its vice president, recently paid a visit to Romania and attended the Romanian Women's Congress at the invitation of the Romanian National Women's Council. During its stay in Romania, the delegation visited many factories, cultural establishments, hospitals and schools in Bucharest and in Brasov Province. [Text] [Hanoi VNA in English 1743 GMT 17 Jun 78 OW]

ART TROUPE TO SCANDINAVIA--Hanoi, 20 Jun--Vietnam's Phong Lan (Orchid) Art Troupe left here this morning for a performance tour of Sweden and some other Scandinavian countries. It was seen off by Cu Huy Can, vice minister of culture and information, and representatives of the Commission for Cultural Relations With Foreign Countries. Tom G.R. Tscherning, ambassador of the Kingdom of Sweden to Vietnam, was also present. [Text] [Hanoi VNA in English 1528 GMT 20 Jun 78 OW]

PHAN HIEN SAYS SRV 'HAPPY' ABOUT U.S. RESPONSE TO NEGOTIATIONS

OW140915Y Hong Kong AFP in English 0900 GMT 14 Jul 78 OW

[Text] Canberra, 14 July (AFP)--Vietnam was ready to meet the United States "anywhere and at any time" to continue discussions towards normalisation of diplomatic relations, Vietnamese Vice Foreign Minister Phan Hien said today. Speaking at a press conference here after 2 days of talks with Australian Government Ministers and officials, Mr Hien said Vietnam was "happy" that America had responded well to his statement in Tokyo this week.

In a major policy reversal, Mr Hien said in Tokyo Vietnam was ready to open full diplomatic relations with the United States without any pledge of financial aid from Washington. He said today that since his remarks in Tokyo he had noted a positive reaction from United States official spokesmen.

"We are happy that the Americans have responded on this and we are prepared to meet the Americans anywhere, any place, and at any time," Mr Hien said.

Mr Hien stressed today that his proposal to straight to the question of normalising relations while leaving the problem of Americans missing in action and reparations, to a later day was a "concrete situation." He added: "A concrete situation is interesting, but it is not because of our problems with China that I raised this matter." Questioned on the large number of refugees leaving Vietnam, Mr Hien said a number of them had been used to an "easy life" during the war. But after the war, they had been unable to live in the same way.

"They could not live without black markets and speculation and other illegal ways of life--but we cannot accept this old way of life, so they seek a new paradise for the old paradise," Mr Hien said. Mr Hien tomorrow and Sunday goes to study Australian farming in the Murrumbidgee irrigation area in southern New South Wales and on Monday visits Sydney and the big BHP steel works at Port Kembla.

COMMENTARY SCORES USSR 'CRACKDOWN' ON RIGHTS ACTIVISTS

OW131441Y Melbourne Overseas Service in English 0720 GMT 13 Jul 78 OW

[From "Australian Editorial Opinion" program]

[Text] The Melbourne AGE comments on what is describes as the Soviet Union's continuing crackdown on human rights activists. The paper says the predictability of the campaign does not reduce its horror. The editorial says that the democratic world rightly condemns the travesty of justice which makes criminals of those Soviet citizens seeking merely to enjoy the freedoms their government has guaranteed many times over. The paper says the crimes of these men is in establishing a group to monitor compliance by the Soviet Government to the 1975 Helsinki accord on human rights which was signed by the Soviet Union.

BRIEFS

AUSTRALIAN TRADE SURPLUS--Australia has ended the financial year with an export trade surplus of \$1,076 million. Figures released by the Bureau of Statistics in Canberra showed that total exports were \$12,246 million, 5.2 percent higher than in 1976-77.

[Text] [Melbourne Overseas Service in English 1230 GMT 10 Jul 78 OW]

KUSUMAATMADJA ANNOUNCES BANGLADESH PRESIDENTIAL VISIT

BK131543Y Jakarta Domestic Service in Indonesian 1500 GMT 13 Jul 78 BK

[Excerpt] Bangladesh President Maj Gen Ziaur Rahman will visit Indonesia from 26 to 28 July. Foreign Minister Mochtar Kusumaatmadja in a statement in Jakarta today said that this will be the Bangladesh president's first visit to Indonesia.

ENVOY DISCUSSES RELATIONS WITH PAPUA NEW GUINEA

BK130935Y Jakarta Domestic Service in Indonesian 0700 GMT 13 Jul 78 BK

[Text] President Suharto has instructed the Indonesian ambassador in Port Moresby, Maj Gen Busiri Surjodinoto, to promote cooperation between Indonesia and Papua New Guinea in a more concrete manner. Ambassador Busiri, who is in Jakarta for consultations with the central government, was received by President Suharto at the presidential mansion on Cendana Street this afternoon.

Busiri told newsmen that cooperation between the two countries included Indonesia's granting aid to Papua New Guinea. He said several Indonesians are now in Port Moresby to train Papua New Guineans in handicraft work, such as making roof tiles, bricks and so forth. Besides this, Indonesia also plans to invite Papua New Guinean students and journalists to Indonesia.

Ambassador Busiri also stressed that there were no problems between the Indonesian and Papua New Guinean governments and that relations between the two countries are very friendly.

He said that since the visit of Foreign Minister Ebia Olewale to Indonesia, the Port Moresby government has considered the East Timor problem to be Indonesia's internal affairs. He also disclosed that a Papua New Guinean trade mission to be led by Commerce Minister Pita Lus plans to visit Indonesia on 22 July to explore what Papua New Guinea could import from Indonesia. He said Port Moresby wants to establish direct trade with Indonesia.

Papua New Guinea also wants to establish a direct air route between Port Moresby and Denpasar, Bali. The ambassador said that many tourists in Papua New Guinea want to visit Indonesia.

On the utilization of the Indonesian "Palapa" satellite, he said the Papua New Guinean government is now studying the possibility of using it in their television programming.

BRIEFS

KALIMANTAN OIL EXPLORATION--Jakarta, 11 Jul (ANTARA)--Chevron Kutai Inc. and Texaco Kutai Inc., affiliates respectively of Standard Oil Company of California and Texaco Inc., have acquired an initial 20 percent interest each in the east Kalimantan "production sharing" contract in Indonesia consisting of more than 10,000 sq miles, with an option to acquire an additional 10 percent each, it was announced today. This contract was originally entered into in 1969 between Pertamina and Kaltim Shell N.V., an affiliate of the Royal Dutch Shell group. Esso Exploration and Production Indonesia Inc., an affiliate of Exxon Corporation, later became a joint contractor with Shell. The contract covers areas in the Kutai Basin and on the Mangkalihat Peninsula in the eastern part of Kalimantan. The Kutai-Mangkalihat district lies approximately midway between two of the oldest oil-producing areas in Indonesia, Balikpapan and Tarakan, which have yielded oil since 1898 and 1906, respectively, and are still producing. [Jakarta ANTARA in English 0721 GMT 11 Jul 78 BK]

MALAYSIA

AFP: SRV'S PHAN HIEN TO VISIT, TALK WITH RITHAUDDEEN

BK140728Y Hong Kong in English 0708 GMT 14 Jul 78 BK

[Text] Kuala Lumpur, 14 Jul (AFP)--The Vietnamese deputy foreign minister, Mr Phan Hien, is expected to visit Malaysia next week, it was learned here today. Informed sources said that Mr Phan, who is now in Australia, after visiting Japan and Singapore, is due to arrive in Kuala Lumpur on Saturday, July 22 for a two-day visit.

A spokesman of the Vietnamese Embassy declined to confirm the date, but said there was a possibility that the deputy foreign minister might stop over here on his way home from visiting Australia and New Zealand. Mr Phan last visited Kuala Lumpur in 1975.

He is expected to have talks with Malaysian Foreign Minister Tengku Ahmad Rithauddeen bin Ismail and senior officials of the ministry on the situation in the Indochina states, with particular reference to the open confrontation between China and Vietnam. He is also expected to brief the Malaysian officials on Vietnam's change of attitude towards the proposal for a zone of peace, independence and neutrality, as advanced by Hanoi last month on the eve of the ASEAN foreign minister's meeting in Phatthaya, Thailand.

SHAMSUL HAQ CONCLUDES VISIT, HOLDS DISCUSSIONS WITH HUSSEIN

Hussein To Visit Dacca

BK131254Y Kuala Lumpur Domestic Service in English 1130 GMT 13 Jul 78 BK

[Text] Datuk Hussein bin Onn has accepted an invitation to visit Bangladesh. The secretary general of the Foreign Affairs Ministry, Tan Sri Zakaria bin Haji Mohamed Ali, said the date of the visit will be decided later. He made the announcement after a meeting between the prime minister and the Bangladesh foreign minister, Professor Shamsul Haq, in Kuala Lumpur.

Tan Sri Zakaria said the Bangladesh minister had brought a message from President Ziaur Rahman, renewing the invitation to Datuk Hussein to visit Bangladesh. The discussions between Datuk Hussein and Professor Shamsul Haq also touched on the forthcoming nonaligned conference in Belgrade. Professor Shamsul Haq left Kuala Lumpur this afternoon after a 3-day visit.

At an airport press conference, he expressed the hope that cooperation between his country and Malaysia could be expanded to cover new areas. He said there were possibilities for cooperation in other fields besides education and culture. Referring to Malaysia's efforts to develop the rubber industry in Bangladesh, Professor Shamsul Haq said such promised technical aid would further strengthen the ties between the two countries.

Haq Departs

BK130951Y Kuala Lumpur International Service in English 0830 GMT 13 Jul 78 BK

[Text] Malaysia and Bangladesh have stressed the importance of the nonaligned movement keeping its true character. By doing so the movement can remain a positive force to maintain world peace and prosperity. This view was expressed by Datuk Hussein bin Onn and concurred with by the Bangladesh foreign minister, Professor Shamsul Haq, during their discussions in Kuala Lumpur today. The prime minister also discussed with Professor Haq the forthcoming nonaligned foreign ministers meeting in Belgrade, Yugoslavia. The two countries agreed to keep in close consultations with each other at the meeting.

The visiting Bangladesh minister also briefed Datuk Hussein on the agreement reached between his country and Burma over the problem of Burmese refugees. Datuk Hussein expressed Malaysia's satisfaction over the agreement, so that the problem could be solved peacefully. The minister of foreign affairs, Tengku Datuk Ahmad Rithauddeen bin Ismail, attended the discussions. Professor Haq left for home this afternoon.

SINGAPORE

PHAN HIEN, RAJARATNAM REMARKS AFTER TALKS REPORTED

BK130911Y Singapore THE STRAITS TIMES in English 13 Jul 78 pp 1, 28 BK

[By Ahmad Osman]

[Text] Singapore and Vietnam have taken the first step towards full diplomatic relations by granting diplomatic functions to trade offices in the two countries. A Singapore trade office to be accorded full diplomatic status will be established in Hanoi. Vietnam already has such an office here, and this too will be similarly upgraded. This agreement was reached during talks between the visiting Vietnamese deputy foreign minister, Mr Phan Hien, and the foreign minister, Mr S. Rajaratnam, at city hall yesterday. Mr Hien, who left for Australia last night after a 2-day unofficial visit, told reporters that the two countries have agreed that trade offices in Singapore and Vietnam would be accorded full diplomatic status.

He did not indicate when this would take place but informed sources said that the agreement was the first step towards full diplomatic relations. At present, the Vietnamese Trade Office here does not carry out any diplomatic functions. This was evident in April when Singapore had to deal with the Vietnamese Embassy in Kuala Lumpur to solve problems created by the arrival of the hijacked Vietnamese freighter Vam-co 24.

Speaking to newsmen at the end of his talks with Mr Rajaratnam and other officials from the Trade Department and Intraco, a smiling Mr. Hien said that he has informed Mr Rajaratnam of Vietnam's views on international and bilateral issues including its proposal for the setting up of a new zone of peace, independence and neutrality in Southeast Asia.

Referring to Vietnam's proposal for the new zone to take in the ASEAN countries, Vietnam, Laos and Burma, Mr Hien said that the two sides reached an understanding on the common aspirations and objectives that Vietnam and ASEAN were pursuing.

He said that countries in this region want independence and sovereignty to live in peaceful coexistence. According to Mr Hien, the understanding reached during his talks with Mr Rajaratnam was based on respect for a country's sovereignty, noninterference in each other's affairs and mutually beneficial relationships to preserve peace, stability and prosperity in Southeast Asia.

He also denied that Vietnam had ever stipulated that ASEAN countries should be "genuinely independent" when it announced its proposal for the setting up of the new zone of peace, independence and neutrality.

"We never said genuine independence. We said genuine neutrality," Mr Hien said when he was asked to comment on Mr Rajaratnam's call for Vietnam to clarify what it meant by "genuine independence." Asked to comment on what he meant by "genuine neutrality," Mr Hien said that the matter would be discussed after agreements have been reached on common aspirations and objectives.

Mr Rajaratnam requested Hanoi for a clarification immediately after its proposal for the new zone was disclosed at the ASEAN foreign ministers' meeting in Phatthaya last month. He said that there was no country in Southeast Asia which was not independent and that Hanoi presumed that the independence of some of these countries was not "genuine". He said that if the Southeast Asian countries were independent, then the word "genuine" used by Hanoi was superfluous. He added that subject to this observation, the Hanoi proposal was generally acceptable and that ASEAN was prepared to discuss it.

In his brief conversation with newsmen, Mr Hien dismissed as "groundless" China's accusation that its proposal for the new zone of peace, independence and neutrality was an attempt by Vietnam to become the overlord of Southeast Asia.

He said: "I have not read the comments made by the Chinese but if it is true then the accusation is groundless because we want to have good relations with all countries. We do not intend to violate the independence and sovereignty of any country."

Trade Director Mr Ridzwan Dzafir who had talks with Mr Hien together with officials from Intraco and the Trade Department said that the discussions centered on the general need to improve trade and economic relations between the two countries. Intraco's Managing Director Mr S. Chandradas said that Intraco would like to be more active in its trade activities with Vietnam.

STRAITS TIMES Editorial

BK140806Y Singapore STRAITS TIMES in English 14 Jul 78 p 16 BK

[Editorial: "Trying Harder"]

[Text] Like the company that has not hit the top of the chart with consumers, Vietnam is trying harder to reach hearts and minds in ASEAN countries. Since the start of their big trouble with China, the Vietnamese have carefully downplayed their hostility towards ASEAN. They have, in effect, done an about-face by saying that they now no longer regard ASEAN as a military organisation, implying that Hanoi is ready to cooperate with the regional organisation. Bilaterally too, there is a lot of diplomatic activity to better ties.

Mr Phan Hien's visit to Singapore is clearly a part of this new approach, and of course we welcome improvements in the status of relations between ourselves and Vietnam. But the unstated question is: Is all this for real? Is Vietnam's apparent show of friendship genuine, or are the gestures from Hanoi mere posturings? Do not forget that Mr Phan Hien has tried the ASEAN circuit before, exuding charm and reasonableness, almost exactly 2 years ago. And soon after, Laos, prodded by Vietnam and the Soviet Union, took a strong anti-ASEAN line at the Colombo non-aligned summit.

A study of Hanoi's pronouncements will show that it vacillates between "soft" and "tough"--depending on the assessment of the current objective conditions. The Americans understand this very well, although for a time many of them were confused, particularly the liberals and the antiwar elements who saw in the Vietnamese leadership men of great decency and courage. And so some of them undoubtedly were, but in the formulation and conduct of policy there is no expedient states will refuse to resort to.

Thus, today the major communist protagonists all want to court ASEAN. China, also a fairly recent believer in ASEAN, is playing the role of benign adviser. Do not trust the Vietnamese, warns Peking. Vietnam is the junior partner to the Soviet Union intent on dominating Southeast Asia.

It is ironic that the Chinese should be issuing these warnings, which a decade ago were being dismissed in some quarters as the groundless fears of anticommunist war mongers. Though with its own axe to grind, China's analysis of the situation cannot be rejected completely, for the fact is that everybody is seeking more influence in ASEAN.

RAJARATNAM ON SRV, PRC, USSR TIES WITH ASEAN, OTHER ISSUES

ASEAN Relations

BK130850Y Hong Kong AFP in English 0600 GMT 13 Jul 78 BK

[Text] Singapore, 13 Jul (AFP)--Singapore's Foreign Minister S. Rajaratnam said here today that there was "as yet" no indication that the Vietnam-Kampuchea or the Sino-Vietnam conflict would spill over to any countries of the region. But at the same time he warned that if the conflict worsened and involved other countries, then it would become a global problem.

In an exclusive interview with AFP, in which he discussed ASEAN, regional and international issues, Mr Rajaratnam said: "The Soviet Union has already come out and stated their stand that Vietnam is in their camp. Vietnam is already a member of the Comecon and the Soviets are saying they are going to protect Vietnam.

"China, on the other hand, has indicated that Kampuchea is their ally or friend and they are interested in its integrity and sanctity. If the integrity or sanctity of one or the other is jolted as a result of bilateral conflicts in these two countries, at some point, either the bluff is called, or those who made these annunciations about standing by their allies will have to prove that they mean what they say.

"Then, of course, it becomes a different problem altogether." Asked what ASEAN would do if there was a flare-up, Mr Rajaratnam said: "It's like a hurricane. There is nothing you can do except make sure the hurricane does not destroy you. We do think about it. Obviously, there will be repercussions, but it is not necessarily confined to ASEAN. It could have global implications".

Answering a question whether ASEAN, or any of the individual countries, could help resolve the Vietnam-Kampuchea conflict, Mr Rajaratnam said he did not see what ASEAN could do. "First, there has been no request by the parties concerned for ASEAN's good offices. So better not offer something which has not been asked.

"Secondly", he added, "though the conflict is between Vietnam and Kampuchea, the backdrop is different and various actors are involved. If you want to sort out the Vietnam-Kampuchea problem, you must sort out some other problems which are far bigger and almost global in their character". Mr Rajaratnam, the only serving foreign minister out of the five who signed the Bangkok Declaration 11 years ago, thought ASEAN could make a contribution, though in the negative sense.

"We can contribute in two ways: First, by not taking sides, secondly, by not allowing ASEAN to be used as a jumping board, or a shield or a spear to intensify the conflict in the Indochinese states. This is the only practical way ASEAN can react to the conflict in the Indochinese Peninsula".

He thought the conflict might be brought up at the nonaligned conference later this month in Belgrade, each side trying to enlist support for itself. But ASEAN's attitude was that supporting one side or the other would only exacerbate the conflict.

Mr Rajaratnam also discussed the recent change in the attitude of the Soviet Union and Vietnam towards ASEAN. On the Soviet Union, he said: "We welcome the change, but we keep our fingers crossed because today's friends can become tomorrow's enemies". Saying that it was "safer" to assume the change as a tactical move, Mr Rajaratnam said the Russians took a more favourable view for two reasons: ASEAN has survived 11 years, and it is the only regional organization effectively functioning in Asia.

He noted that ASEAN "is not against anything, it only wants to develop regionalism as such. So the Soviets might have thought that far from crumbling and disintegrating, it is moving in that direction (towards regionalism), maybe slowly".

"Secondly, ASEAN countries, with a population of 250 million people, have relatively stable economies and stable political societies by Third World standards. Its global importance has also been recognized through the ASEAN-EEC dialogue, the ASEAN-United States dialogue and the ASEAN-Japan dialogue.

"So the Soviet Union might have concluded that ASEAN has become a fact of life and there is no point in bringing it down. Mr Rajaratnam also analysed why Vietnam had suddenly shifted its attitude. Noting that Hanoi had greeted every previous ASEAN meeting with "a big blast", Mr Rajaratnam said in Phatthaya, where the ASEAN foreign ministers met last month, "things were just the opposite.

Then the Vietnamese said they wanted a zone of peace, independence and neutrality. "I see that Mr Hien has since then dropped the word 'independence' and we welcome that". The foreign minister noted that China has also been one of the most enthusiastic advocates of ASEAN. This could also have influenced the new thinking by the Soviet Union and Vietnam towards ASEAN, he added. Asked whether the changed attitude would eventually lead to Vietnam joining ASEAN, Mr Rajaratnam said Hanoi had not indicated it wants to come in. They have, on the other hand, said they wanted "a new ASEAN".

"But if we believe that it will be a source of strength to ASEAN and will further ASEAN objectives, then we welcome not only the Indochinese states, but Burma or anybody else belonging to the Southeast Asian region", he added, apparently referring to Sri Lanka.

ASEAN Industrial Projects

BK131117Y Hong Kong AFP in English 0921 GMT 13 Jul 78 BK

[Text] Singapore, 13 Jul (AFP)--Singapore's Foreign Minister Mr S. Rajaratnam today deprecated the tendency to measure the success or failure of the Association of Southeast Asian Nations (ASEAN) by the pace of progress of its industrial complementary projects. He was referring specifically to the diesel engine project allotted to Singapore at the Bali summit in 1976 which he said had "stalled" due to the restriction posed by Indonesia on the export of engines of up to 500 hp to that country.

"But we are not unduly worried," Mr Rajaratnam told AFP in an exclusive interview. "We will try something else after all regional cooperation is not restricted to diesel engines. There are other areas such as communications, external relations and investments." He added: "We are moving in a new direction which we in Singapore believe [is] the best for regional cooperation." He emphasized that economic cooperation could best be promoted through private enterprise.

Mr Rajaratnam said the lesson to be drawn from the five ASEAN projects--agreed at Bali--is that they run into difficulty because on the one hand they are organised by bureaucrats who have no experience in business and because the governments, with different political and economic systems, had to take into consideration various political and social implications.

Of the five projects, the urea plants for Indonesia and Malaysia have been finally approved, while little progress has been made on the soda ash project for Thailand and superphosphates for the Philippines.

Mr Rajaratnam said though it would be possible in the long run for the governments to organise industrial projects, in the present conditions it would be better to give free play to private enterprise within the overall government framework. He said private enterprise would weigh whether the project was viable and whether there were profits to be made. If these two conditions were fulfilled, they would go ahead. "This approach," he added, "is more likely to bring about economic integration".

Indochinese Refugee Problem

BK131105Y Hong Kong AFP in English 0836 GMT 13 Jul 78 BK

[Text] Singapore, 13 Jul (AFP)--Singapore's Foreign Minister S. Rajaratnam said here today that those countries which created the Indochinese refugee problem should bear the heaviest responsibility for solving it. He also warned that unless an international effort was mounted to solve the problem when it was still manageable, it would get out of hand and assume "Palestinian proportions".

In an exclusive interview with AFP, Mr Rajaratnam said hundreds of thousands of Indochinese people had left or were leaving their country seeking a new life elsewhere. "Either they should go back, if they want to and if they are accepted, but I don't know whether they want to go back. If that is not possible, the principles of natural justice demand that they must be resettled primarily by those countries which bear the biggest responsibility," he added.

He said the burden should be borne by all the countries which participated in the Vietnam war without naming any, though he obviously had the United States very much on his mind. He said it was impossible for ASEAN countries to absorb the refugees, except perhaps a marginal number, so they will have to go elsewhere.

Mr Rajaratnam warned that if the situation was allowed to develop into one where a large number of people squatted in one place for years without adequate food, schools and medical facilities, "we will have a new generation of angry, frustrated and rootless young men. Then what do we do?"

"So we (in ASEAN) are stressing that these countries should absorb them, give them some kind of hope so that the problem does not get out of hand," he added.

Referring to Prime Minister Lee Kuan Yew's offer of an offshore island to serve as a transit camp for refugees awaiting repatriation, Mr Rajaratnam said the idea was to have an organised camp with all facilities till the refugees could be absorbed by third countries in, say, 5 to 6 months of their arrival. This way the refugees could be cleared up and resettled in an organised manner. Asked about the response to the offer, Mr Rajaratnam said with a shrug of his shoulders, "everybody expresses sympathy and humanitarianism, but nobody has made any firm commitments."

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